EvDynamics

Ev Dynamics (Holdings) Limited
科軒動力（控股）有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 476)

Annual Report 2026

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Corporate Information

DIRECTORS

Executive Directors

Ms. Chan Hoi Ying *(Chairman)*
Mr. Zeng Yan *(Chief Executive Officer)*
Mr. Yan Zhang Yan

Independent Non-Executive Directors

Mr. Chan Francis Ping Kuen
Mr. Chen Zhang Liang
Mr. Gong Dao Jun
Ms. Chiang Siu Ling Samantha

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Mr. Chen Zhang Liang
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AUTHORISED REPRESENTATIVE

Ms. Chan Hoi Ying
Mr. Leung Wai Chun, CPA

COMPANY SECRETARY

Mr. Leung Wai Chun, CPA

PRINCIPAL BANKER

Bank of Communications Co., Ltd
Hang Seng Bank Limited

WEBSITE

www.evdynamics.com

Dear Shareholders,

On behalf of Ev Dynamics (Holdings) Limited (the "Company") and its subsidiaries (the "Group"), I am pleased to present the annual report for the year ended 31 March 2026.

RESULTS

During the year ended 31 March 2026, the Group recorded revenue of approximately HK$41.1 million (2025: approximately HK$3.0 million). The gross profit was approximately HK$15.4 million (2025: gross loss of approximately HK$2.0 million). The increase in the Group's revenue and gross profit during the reporting period was attributable to (i) the commencement of the new e-Mobility Solutions business during the second half of this financial year; and (ii) forfeiture of a customer deposit for electric vehicles procurement upon termination of a sale contract entered into in prior years.

The Group recorded a loss of approximately HK$293.1 million for the year as compared to a loss of approximately HK$373.9 million for last year. The decrease in loss was mainly attributable to (i) a decrease in impairment loss on mining assets in Guangxi to approximately HK$267.0 million (2025: approximately HK$284.8 million); (ii) a decrease in write-off of other receivables and prepayments to approximately HK$0.4 million (2025: approximately HK$16.4 million) and (iii) absence of loss on change in fair value and realised loss on disposal of financial assets at fair value through profit or loss ("FVTPL") (2025: approximately HK$21.9 million).

The loss attributable to the owners of the Company was approximately HK$292.0 million (2025: approximately HK$372.0 million). Basic and diluted loss per share for the year was approximately HK$1.08 per share (2025: approximately HK$1.93 per share).

DIVIDEND

The directors of the Company do not recommend the payment of any dividend for the year ended 31 March 2026 (2025: HK$nil).

OUTLOOK AND PROSPECTS

Over the past year, the global economic landscape has been significantly reshaped by persistent trade protectionism and geopolitical conflicts. These tensions have ramped up inflationary pressures worldwide, especially driven by surging oil prices. Nevertheless, the rapid growth of Artificial Intelligence (AI) and the rising trend of localization driven by increasing global trade limitations, are creating new momentum for economic restructuring. In this context, the Chinese government is expected to further strengthen its support for domestic development, particularly by introducing more favorable policies for enterprises in the new energy sector.

The Group will continue to focus on the development of its EV and e-Mobility solutions business. We remain committed to optimizing our resource allocation to ensure sustainable growth and operational efficiency in these core business segments.

Regarding the glauberite mine located in Guangxi (the "Glauberite Mine"), which produces valuable industrial raw materials such as thenardite, sodium carbonate, and ammonium sulfate, the Group maintains a positive outlook on its development potential. Moving forward, the Group intends to actively explore the development of the Glauberite Mine and will continue to identify and engage with suitable strategic partners and financing channels to facilitate the realization of its value.

APPRECIATION

On behalf of the board of directors (the "Board"), I would like to thank the Group's shareholders for their continuing support. I would also like to take this opportunity to express my gratitude to my colleagues on the Board and all of the Group's employees for their dedication and efforts over the past year.

By order of the Board
Chan Hoi Ying
Chairman and Executive Director

Hong Kong
30 June 2026

BUSINESS REVIEW

Electric Vehicles ("EV") and e-Mobility Solutions

The Group, through its subsidiary Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd. ("Suitong"), operates a manufacturing base in Chongqing dedicated to the development and production of EV, including electric buses ("eBus") and purpose-build electric vehicles.

Beyond vehicle manufacturing, the Group has expanded into integrated e-Mobility Solutions, offering an integrated ecosystem in the PRC that combine vehicle supply, operations and other value-added services such as charging infrastructure deployment. This approach enables the Group to address specific customer needs in high-utilisation, closed-loop logistics environments, while accelerating the adoption of clean transportation in industrial sectors of the PRC.

Electric Vehicles Business

Hong Kong and the PRC market

The Group maintains its commitment to Hong Kong's electric transport transformation. In Hong Kong, we have successfully commercialized these purpose-built electric vehicles:

1. 12-meter eBus

   During the reporting period, a 12-meter eBus (a model featured by extra low platform which was specifically designed for seniors and those with disabilities) of approximately HK$5.3 million has been delivered to a non-profit organization in Hong Kong. This is a new order with the Hong Kong Productivity Council ("HKPC"), following the successful fulfillment of prior eBus orders for the Airport Authority Hong Kong and the Hong Kong Anti-Cancer Society.

   In September 2025, the Group was awarded a contract by another non-profit organisation for the supply of one 56-seater eBus, valued at approximately HK$2 million. Following the award, the Group engaged in comprehensive technical discussions with the client over several months to ensure the vehicle would fully meet their operational requirements and safety standards. After thorough evaluation of the technical specifications and integration requirements, both parties mutually agreed in April 2026 that the project scope and technical requirements had evolved beyond the initial framework. In the best interests of both organisations and to ensure optimal resource allocation, the contract was amicably terminated by mutual consent.

2. Electric Mobile Command Unit

   In September 2023, the Group was successfully awarded a contract at approximately HK$9 million to supply the first electric mobile command unit (the "EMCU") to the Hong Kong Fire Services Department (the "FSD"). This EMCU features a powerful 350kW electric motor and a substantial 422kWh battery capacity. Additionally, it incorporates a high-capacity uninterruptable power supply system to maintain the wireless communication and electronic dispatch system, and it is supported by a generator and a public power connection device, ensuring uninterrupted system operation under all circumstances. As at the reporting date, the chassis, bodywork, battery systems and drivetrain are installed and ready for testing.

In addition to the orders mentioned above, the Group has been actively pursuing strategic collaborations with key industry players. Building on the foundation established from the initial tender submission in December 2024, the Group submitted its comprehensive proposal in February 2026 for the maximum supply of 90 units electric buses to a renowned Hong Kong public transportation operator.

Over the past several months, the Group maintained intensive and productive engagement with the operator, including participating in multiple rounds of technical interviews, due diligence, and in-depth discussions regarding vehicle specifications and service integration frameworks. Although the Group was not selected in this particular tender round, these collaborative exchanges have significantly strengthened mutual understanding and validated the alignment of our solutions with the operator's requirements.

Looking ahead, the management understands that the operator may continue to procure additional electric buses and is expected to submit further tenders in due course. Leveraging our proven technical expertise, established partnership with a leading PRC bus manufacturer, and the valuable insights gained from the extensive engagement process, the Group remains in the right position to compete in future bidding opportunities and is confident in its ability to support the operator's long-term objectives for sustainable public transportation.

In the PRC market, the Group conducted comprehensive analysis on a potential project involving the supply of 30 units of 65-seat buses to a transportation company in Chongqing Wulong District. Following detailed assessment and strategic review, the Group has made the decision to prioritize resources in other more profitable areas, considering the current competitive landscape and operational and evolving requirements in the domestic market.

The Group remains committed to exploring and capitalizing on business opportunities within the Hong Kong and the PRC market. We are confident in our ability to effectively market and sell our vehicles, maintaining a competitive edge in this evolving sector.

Southeast Asian market

Over the past few years, the Group has continued in developing and deploying eco-friendly transportation solutions tailored to emerging markets such as the Philippines and Thailand. In the Philippines, the Group introduced COMET, a fully customized electric city bus designed as a modern replacement for traditional Jeepneys. To date, over 60 units have been delivered and are in operation. However, the collection of the remaining trade receivables has been protracted due to prolonged payment delays and unresolved commercial disputes with the customer. Consequently, the management does not expect to secure further orders from this customer in the foreseeable future. Regarding the outstanding receivables, the Group has been assessing the viability of initiating legal proceedings to recover the debts.

Separately, the Group also conducted preliminary trials in Thailand involving e-conversion kits for London taxis, three-wheeled "tuk-tuks", and medium-duty trucks, aligning with the local EV policy trend. Despite these efforts, the economic environment remains uncertain, leading customers to adopt a more cautious approach . Therefore no sizeable follow-on order has been materialized as at the reporting date. On the other hand, the departure of an executive who was previously responsible for overseeing Southeast Asian operations, have led to a strategic review of resource allocation in the region. Management will continue to monitor market conditions closely and periodically reassess the long-term viability and strategic fit of the Southeast Asian segment.

American and European market

During the year between 2022 and 2023, the Group entered into sales agreement with a bakery company in Mexico for the supply of up to 1,000 units of 6-meter van chassis. An initial batch of 200 units was successfully delivered in early 2023. Subsequently, the Group received further deposits of USD2.1 million from the customer and accordingly placed a corresponding order with an OEM in the PRC, resulting in the production of 250 units. The relevant customer deposits were recognised as contract liabilities as at 31 March 2025.

However, the customer ultimately did not proceed with further progress payment for these units. After extensive discussions, the Group and the customer mutually agreed to terminate the contract in October 2025 and the related non-refundable deposits of USD2.1 million (equivalent to approximately HK$16.4 million) were recognised as revenue during the reporting period. The related OEM supply arrangement was also formally terminated.

e-Mobility Solutions

During the reporting period, the Group officially commenced the "e-Mobility Solutions" business, an expansion of its existing "purpose-built electric transport solutions" business. Moving beyond traditional vehicle supply (notably electric buses for institutional clients), the Group builds and offers an integrated green mobility ecosystem encompassing vehicle procurement, operations management, charging/swapping services, green power supply, and carbon emission route management. The Group aims to provide customers with comprehensive new energy commercial vehicle solutions covering asset investment, energy supply, and daily operations.

The core of this enhanced business lies in precisely targeting the new energy heavy-duty truck application at the national strategic logistics corridor of "Xinjiang Coal Outbound Transport". Xinjiang has abundant natural resources with substantial demand for long distance and large volume transportation. However, traditional diesel heavy trucks face multiple challenges in long distance outbound transport, including surging fuel costs, high carbon emissions, limited operational efficiency, and increasing environmental compliance pressures. These have gradually become long-term challenges in the industry. With China's "dual carbon" goals, the Western Development Strategy, and the continuous infrastructure development of green transportation, the low-carbon transportation, electrification and intelligent transformation of coal and bulk commodity logistics transportation has become a clear trend.

In response to the above market opportunities, the Group's electric heavy truck solutions move beyond vehicle sales to a recurring revenue model centered on "vehicle operations and energy services". In the future, the Group plans to adopt the Transport as a Service model (a model that provides green transport services charged by mileage or ton-kilometer), allowing customers to enjoy zero-emission transportation in a more cost-effective and sustainable manner without bearing the high initial vehicle purchase costs or technological risks. This model also assists the Group in transitioning from one-off vehicle sales revenue to a diversified, sustainable, and replicable revenue structure encompassing fleet operations, energy supply, charging/swapping services, and carbon management services.

To support the implementation of this business model, the Group is committed to building an integrated "Solar-Storage-Charging-Swapping" energy supply network to ensure green power supply, charging/swapping efficiency, and fleet operational stability along the transportation corridors. The Group, through its wholly-owned subsidiaries located in Hangzhou, Lanzhou, Hami, Guazhou, and Xinjiang, is establishing close cooperation with local governments, power grid enterprises, energy suppliers, and vehicle manufacturers to prioritize in securing land use rights, power access, and green power quotas at key logistics nodes, while gradually carrying out the construction of charging and swapping infrastructure and supporting energy systems.

As at the reporting date, the Group has put one charging station into operation in Hangzhou. In the near term, the Group expects three additional charging stations to commence operations, including two more sites in Hangzhou and one site in Gansu Province. These sites are currently under construction or in trial operation stage. As more energy supply nodes are progressively established, the Group will accelerate the deployment of new energy infrastructure along major transportation corridors, laying a solid foundation for the large-scale commercial operation of electric heavy trucks.

During the reporting period, the Group has taken the lead in achieving commercial implementation in the core coal logistics corridor of "Xinjiang Coal Entering Gansu", with the support of two key state-owned enterprise partners in Gansu Province. The Group has entered into several legally binding long-term operational agreements with certain PRC customers (including subsidiaries of a state-owned enterprise), for the supply and operation of electric vehicles for coal transportation. It demonstrates strong partnership confidence in the project's viability, as well as the market's dual recognition of electric heavy trucks for both economic efficiency and environmental sustainability, underscoring the Group's commitment to building a sustainable zero-emission ecosystem in Northwest China.

To support these initiatives, the Company has completed a subscription and a placing of shares in September and December 2025 respectively, of which approximately HK$27 million in aggregate has been allocated toward to e-Mobility Solutions for vehicle procurement, charging infrastructure setup, and regional operational establishment across Gansu and Xinjiang. As at the reporting date, the Group currently manages and operates a fleet of approximately 100 electric trucks (including owned and leased vehicles), actively serving existing projects. With the continuous expansion of fleet size, charging/swapping network, and customer cooperation projects, the Group believes this business model will gradually develop into a replicable, scalable green logistics platform with long-term cash flow potential.

Looking ahead, the Group believes that the successful implementation of the "Xinjiang Coal Entering Gansu" new energy coal corridor will not only provide a verifiable green transportation model for "Xinjiang Coal Outbound Transport", but will also become a replicable business model for other bulk commodity transportation corridors, including "Xinjiang Coal Entering Cao", "Mongolia Coal Outbound Transport", and other inter-provincial energy, mineral, and raw material transportation. The Group will continue to seize development opportunities in China's new energy commercial vehicles, green logistics, charging/swapping infrastructure, and carbon management services. It will actively seek additional financing and strategic cooperation opportunities to accelerate ecosystem scaling, optimize asset utilization, and promote the commercialization and large-scale development of closed-loop green logistics corridors.

Suitong Disposal and Related Legal Dispute

On 2 June 2023, the Group has entered into a sale and purchase agreement (the "Disposal Agreement") for the disposal of the entire equity interests in Chongqing Sinocop New Energy Vehicle Technology Company Limited (the "Target Company") and its subsidiaries (the "Target Group") to an independent third party (the "Purchaser") at a consideration of RMB34 million (the "Suitong Disposal"). The intended assets to be disposed of are certain intangible assets including the modified bus enterprise status which is embedded with the entity of Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd. ("Suitong"), one of the subsidiaries of the Target Group, where all other major assets and liabilities of the Target Group will be retained in the Group prior to the completion through restructuring. As previously disclosed, the Company's core business operations have not been materially affected by this transaction.

However, the Disposal Agreement was not completed due a series of disagreements on the execution process between the Group and the Purchaser. Despite repeated efforts by the Group and mediation support from local government authorities in Chongqing, the parties were unable to resolve their differences.

On 21 August 2024, the Purchaser initiated arbitration proceedings at the Chongqing Arbitration Commission (the "CQ Arbitration"), seeking, among other things, the return of the RMB34 million consideration, contractual penalties, and additional compensation. Subsequently, on 3 September 2024, the Group received an enforcement notice from the Third Intermediate People's Court of Chongqing freezing the equity interests in certain subsidiaries.

Following the hearings, on 27 May 2025, the Chongqing Arbitration Commission issued a judgment (the "Judgment") dated 16 May 2025. The Judgment ruled that: (i) the Disposal Agreement shall be terminated with effect from 12 September 2024; (ii) the Group shall return the consideration of RMB34 million and pay liquidated damages of approximately RMB5.5 million to the Purchaser; and (iii) the Purchaser shall pay liquidated damages of RMB760,000 to the Group.

The Group subsequently applied to the Primary People's Court of Chongqing for revocation of the Judgement and the hearing was held on 22 September 2025. On 21 October 2025, the Group was notified that the court has upheld the decision from the Judgement. Following this outcome, the Group has immediately engaged legal counsel to proactively manage the enforcement process.

On 24 December 2025, the Company and its wholly-owned subsidiary, China Dynamics New Energy Technology Company Limited ("China Dynamics"), received statutory demands from the creditor's legal adviser. The demands required the Company, as guarantor, and China Dynamics, as primary obligor, to settle an aggregate amount of RMB38,967,200 (comprising the repayment of consideration, penalty, and compensation) within three weeks from the date of service of the statutory demands, failing which the creditor may present a winding-up petition. In response, the Company took immediate action to safeguard the interests of the Company and its shareholders as a whole. On 26 January 2026, the Company engaged its legal advisers to apply to the Court of First Instance in the High Court of Hong Kong for an injunction order against the creditor from presenting a winding-up petition. The first hearing was fixed on 28 January 2026. At the request of the creditor and upon its undertaking through its solicitors not to present a winding up petition on the basis of the statutory demand or the debt stated therein until the final determination of the injunction application filed by the Company or until further order of the Court, the hearing of the injunction application, among other things, has been vacated and adjourned.

Subsequent to the reporting period, on 13 April 2026, the creditor's legal adviser delivered a sealed copy of court order stating that they had ceased to act for the creditor. The creditor subsequently confirmed that it agrees to the signing of all necessary court documents to withdraw the injunction application and to bear all reasonable costs of the Company in respect of the injunction application.

The Company is currently assessing the financial impact of the underlying Judgment and continues to manage the enforcement process through its PRC legal counsel. Crucially, the Group remains committed to safeguarding the interests of the Company and its shareholders. The Group is prioritising the settlement of the Judgment through actively exploring various solutions such as seeking additional financing and fundraising opportunities to ensure the Group's long-term sustainability.

The Board will continue to closely monitor developments and take all necessary measures to safeguard the Company's interests.

Mining and production of mineral products

The Group's wholly-owned subsidiary, Guangxi Weiri Mining Company Limited ("Guangxi Weiri"), owns the Glauberite Mine located in the Guangxi Zhuang Autonomous Region of the PRC. The product extracted from the Glauberite Mine is thenardite, an important raw material used in chemical and light industrial manufacturing. No exploration, development or production activity related to the Glauberite Mine was conducted during the year ended 31 March 2026.

Mineral resource information

The below table sets out the mineral resource information of the Guangxi Glauberite Mine as of 31 March 2026 in accordance with the JORC Code (2012):

Domain	Classification	Tonnage (Mt)	Na_2SO_4 Grade (%)	Na_2SO_4 Material (Mt)
Orebody 1	Indicated	983	17.66	174
	Inferred	87	16.98	15
	Subtotal	1,070	17.60	188
Orebody 2	Indicated	57	12.45	7
	Inferred	80	15.88	13
	Subtotal	137	14.44	20
Total	**Indicated**	**1,041**	**17.37**	**181**
	Inferred	**167**	**16.45**	**27**
	Total	**1,207**	**17.25**	**208**

(1) Any differences between totals and sum of components are due to rounding.

(2) The effective date of the mineral resource is 31 March 2025. All tonnages are rounded to the nearest million tonnes to reflect the inherent level of confidence associated with the resources estimation. The mineral resource was estimated within constraining wireframe solids based on geological limits of the mineralized and internal waste units. Nominal cut off for defining the geological unit is 10% Na_2SO_4. No cut-off has been applied to the resource block model of the project. The mineral resource estimate is in accordance with the JORC Code 2012 with an effective date of 31 March 2025.

(3) Competent person statement:

The information in this section that relates to mineral resources is based on work done by Dr. (Tony) Shuangli Tang and Dr. (Gavin) Heung Ngai Chan. Dr. Tony Tang and Dr. Gavin Chan are Member and Fellow of Australian Institute of Geoscientists (AIG), respectively, and full-time consultants employed by SRK. Dr. Tony Tang and Dr. Gavin Chan have sufficient experience, which is relevant to the style of mineralisation, the type of deposits under consideration, the mineral resource estimation under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Dr. Tony Tang and Dr. Gavin Chan consent to the inclusion in this section the matters based on their information in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. The resource estimation was an update in compliance with the JORC Code 2012.

The Competent Person's Consent Form from Dr. Gavin Chan obtained by the Company on 23 June 2026.

Fair value assessment

The Group has closely monitored the Glauberite Mine development and has periodically assessed its resources, financial viability, and general condition. The management has conducted regular financial analysis, taking into account its resources, technical parameters and market situation, so as to assess the mining assets' overall situation. The Group has engaged the services of a qualified independent valuer (the "Valuer") to assess its fair value annually. The independent valuer adopted the Multi Period Excess Earnings Method to estimate the fair value of the mining assets.

The Multi Period Excess Earnings Method was consistently adopted in the valuation of the mining assets for its impairment assessment since the acquisition of the mining assets by the Group. The valuation in the current year is based on a financial budget covering a 15-year period from 2027 to 2041 and then discounted to its present value by the discount rate. The Group has assessed the key assumptions used for the calculation of the discounted cash flows, including the prevailing market condition of thenardite products, the exploitation volume of the resources and the discount rate adopted. There were no significant changes in the assumptions and basis of value of the inputs used under the Multi Period Excess Earnings Method from those previously adopted for the valuation of the mining assets for the years ended 31 March 2026 and 2025.

The summary of value of inputs under the Multi Period Excess Earnings Method for the valuation of the mining assets for the years ended 31 March 2026 and 2025 as disclosed in Note 19 is as follows:

#	**Key assumptions**	**FY2026**	FY2025
1.	Thenardite price per ton	**RMB675**	RMB681
2.	Required rate of return for working capital	**3.68%**	3.68%
3.	Required rate of return for fixed assets	**12.32%**	11.92%
4.	Required rate of return for assembled workforce	**18.70%**	17.58%
5.	Post-tax discount rate	**24.20%**	23.08%
6.	Income growth rate within the projected period	**1.92%**	2.34%
7.	Cost growth rate within the projected period	**1.27%**	1.21%

The summary of the basis of value of the inputs used under the Multi Period Excess Earnings Method, which was consistently applied by the Valuer in previous years, is set out as follows:

Key assumptions	Basis of assumptions
1. Thenardite price per ton	Relevant data obtained from third party's quotations pertaining to the mining assets in Guangxi and market research report performed by third party organization.
2. Required rate of return for working capital	(i) Prime rate as quoted by the People's Bank of China; and (ii) Statutory corporate income tax rate of the PRC.
3. Required rate of return for fixed assets	(i) PRC's long-term borrowing rate; (ii) Statutory corporate income tax rate of the PRC; and (iii) the cost of equity.
4. Required rate of return for assembled workforce	Being the weighted average cost of capital
5. Post-tax discount rate	Being the weighted average cost of capital with a premium to reflect the higher risk nature of the mining assets as intangible assets.
6. Income growth rate within the projected period	Expected inflation rate based on the geometric average of the China Producer Price Index-Non-Metals Minerals Mining and Dressing year-over-year from 2011 to 2026.
7. Cost growth rate within the projected period	The geometric average of the China Producer Price Index year-over-year from 2004 to 2026.

As illustrated above, the changes in value of inputs adopted under the Multi Period Excess Earnings Method for the valuation of the mining assets for the years ended 31 March 2026 and 2025 are set out as follows:

1. Thenardite price per ton

The thenardite price per ton adopted in the valuation decreased from RMB681 per ton for the year ended 31 March 2025 to RMB675 per ton for the year ended 31 March 2026 as a result of the drop in average price in the quotations from third parties in the industry. The products include thenardite (i.e. sodium sulfate), sodium carbonate and ammonium sulfate.

2. Required rate of return for working capital

There is no change in the required rate of return for working capital which maintained at 3.68% for the years ended 31 March 2026 and 2025.

3. *Required rate of return for fixed assets*

The required rate of return for fixed assets was 12.32% for the year ended 31 March 2026 (2025: 11.92%).

4/5. *Required rate of return for assembled workforce/Post-tax discount rate*

The required rate of return for assembled workforce increased to 18.70% (2025: 17.58%) and the post-tax discount rate rose to 24.20% (2025: 23.08%) for the year ended 31 March 2026.

6. *Income growth rate within the projected period*

The income growth rate within the projected period dropped to 1.92% for the year ended 31 March 2026 (2025: 2.34%), being the geometric average of the "China Producer Price Index – Non-Metals Minerals Mining and Dressing".

7. *Cost growth rate within the projected period*

The cost growth rate within the projected period increased as the geometric average of the "China Producer Price Index" increased from 1.21% for the year ended 31 March 2025 to 1.27% for the year ended 31 March 2026.

The movement of the mining assets of the Group for the year ended 31 March 2026 as disclosed in Note 19 is extracted as follows:

	HK$'000
As at 1 April 2025	845,000
Impairment loss	(266,981)
Exchange realignment	41,341
As at 31 March 2026	**619,360**

The fair value of the mining assets decreased from approximately HK$845.0 million (equivalent to approximately RMB787.8 million) as at 1 April 2025 to approximately HK$619.4 million (equivalent to approximately RMB544.8 million) as at 31 March 2026, which was mainly attributable to the reduction in the present value of the estimated excess income, driven by (i) the decrease in thenardite price; and (ii) an increased in post-tax discount rate.

The impairment loss of approximately HK$267.0 million (2025: approximately HK$284.8 million) is a non-cash item and will not affect the cash flow of the Group. The Group will continue to assess any opportunities and means to minimize risks and to maximize shareholders benefits as a whole. Given the Glauberite Mine's distinct advantage in terms of its immense resources, strategic location and market potential, the Group remains highly confident that it is a unique and valuable asset.

Update of development of the Glauberite Mine

As stated in the previous annual report and the supplemental announcement dated 14 August 2024, the Company is considering the possibility of implementing the revised mining plan (the "Revised Mining Plan"), which utilises the latest modern technology to allow the extraction of the minerals in the Glauberite Mine in a more efficient manner as compared to the original mining plan.

In January 2024, China Tianchen Engineering Corporation ("TCC") has issued the feasibility studies report on the Revised Mining Plan (the "Feasibility Report"), which is intended for an annual production of 100,000 tons of baking soda and 80,000 tons of ammonium sulfate. Based on the opinion of TCC, the Revised Mining Plan which utilises (i) the Guangxi Land, the infrastructure and resources of Guangxi Weiri; and (ii) latest mining technology and extraction solutions provided by the Institute of Process Engineering of Chinese Academy of Sciences ("CAS"), is more economically efficient than the original mining plan. It is expected that, upon the implementation of the Revised Mining Plan, the Glauberite Mine will generate positive revenue and net profit annually. Based on the preliminary estimation conducted by TCC, an initial investment and working capital of around RMB350 million is required for the construction of the above infrastructure and the operation of the Revised Mining Plan. It is expected to take around 18 to 24 months to complete the construction work upon commencement of the project.

The Company had been negotiating with a number of potential investors for fundraising opportunities for financing the implementation of the Revised Mining Plan. The Company also considered to collaborate with other mining companies in the PRC, including state-owned mining companies, to jointly develop the Glauberite Mine and implement the Revised Mining Plan. However, given the recent investment sentiment and macroeconomic environment, no fundraising and collaboration opportunities have yet to materialise in this regard.

The implementation of the Revised Mining Plan is subject to, among other things (i) the fundings required for the implementation of the Revised Mining Plan; and (ii) the board approval of the Company after considering factors such as the cashflow of the Company and valuation report of the Glauberite Mine to be further conducted based on the Revised Mining Plan.

Refining the shareholding structure of Guangxi Weiri

As previously disclosed, the Group initiated legal proceedings in the PRC against Mr. Zhou Bo in February 2024 for his failure to transfer 1% registered shares in Guangxi Weiri as stipulated in the deed of assignment dated 20 July 2011 (the "Deed").

The initial hearing was held on 20 May 2024, followed by a second hearing in July 2025. On 30 July 2025, the Court ruled in favour of the Group, ordering Mr. Zhou Bo to complete the transfer of the 1% equity interest in Guangxi Weiri to the Group within 30 days from the effective date of the judgment.

Subsequently, in August 2025, the Group was notified that Mr. Zhou Bo had filed an appeal against the first-instance judgment. The appellate hearing was held in January 2026. As at the reporting date, the Court has not yet delivered the written judgment on the appeal.

The Board is closely monitoring the progress of this case. The Group remains confident in its position and will continue to take all necessary legal measures to safeguard the Company's interests and enforce the transfer of the disputed shares.

Renewal of business license and regulatory compliance

The business license of Guangxi Weiri expired on 26 March 2026 due to the failure to complete the necessary amendments to its articles of association within the statutory transitional period of the Foreign Investment Law, primarily resulting from the obstruction by Mr. Zhou Bo. To address this issue, the management has actively formulated and initiated a comprehensive remediation plan. It involves convening a shareholders' meeting to pass the requisite resolutions by virtue of the Group's 99% voting rights, thereafter applying to the local authority for the change of registered address and renew of the business license. Based on the legal advice obtained, there are clear and direct legal grounds for the Group to legitimately renew the business license under the framework of the new PRC Company Law. Accordingly, the Group expects to complete the renewal process within a reasonable timeframe.

Litigation against Guangxi Weiri

On 9 December 2022, a contractor commenced arbitration proceedings against Guangxi Weiri regarding a construction contract, claiming approximately RMB2.5 million. The People's Court of Qingxiu District Nanning Municipality (the "Qingxiu Court") subsequently ordered the judicial preservation of Guangxi Weiri's mining rights for three years from May 2023 ("Mining Rights Preservation") and ruled that Guangxi Weiri shall pay approximately RMB0.9 million plus interest. The Company has been advised that the Mining Rights Preservation only restricts the transfer of legal title and does not hinder any business operations or exploration activities.

As at the reporting date, all outstanding judgement amount of approximately RMB1.9 million (covering the judgement amount, interests and charges) has been settled to the Qingxiu Court. The management is of the view that the Mining Rights Preservation Order will be lifted upon completion of the full settlement.

Litigation against Wise Goal

On 3 August 2021, the Group was notified by the Intermediate People's Court of Nanning Municipality (the "Nanning Court") of a lawsuit filed by Mr. Zhou Bo (the "Plaintiff") on 27 July 2021. The Plaintiff sought (i) payment of RMB21.7 million in unpaid share capital by Wise Goal Enterprises Limited ("Wise Goal") to Guangxi Weiri; (ii) judicial preservation of Guangxi Weiri's equity interest (the "Property Preservation"). The Board is of the view that the action is frivolous, as it contradicted the shareholders' agreed capital contribution arrangement for Guangxi Weiri. Consequently, no impairment of the Group's investment in Wise Goal was recognised. The Group engaged PRC legal counsel to defend its interests, with court hearings held in October and November 2021.

On 13 January 2023, the Group received the decision from the Nanning Court, ordering Wise Goal to complete the non-paid up share capital of RMB21.7 million and to reimburse Mr. Zhou Bo RMB1.5 million (the "Decision"). Wise Goal appealed the decision on 3 February 2023, however the Higher People's Court of Guangxi upheld the ruling on 27 June 2023.

In October 2023, an application for re-examination was submitted to the Supreme People's Court of the PRC. This case was consolidated with the ongoing litigation regarding the shareholding structure of Guangxi Weiri (see section "Refining the Shareholding Structure of Guangxi Weiri" above). The first hearing was held on 20 May 2024, and a second hearing was held in July 2025. On 30 July 2025, the Court issued a judgment in favour of the Group, ordering Mr. Zhou Bo to complete the transfer of the 1% equity interest in Guangxi Weiri to the Group within 30 days of the judgment taking effect.

However, in August 2025, the Group was notified that Mr. Zhou Bo had filed an appeal against the judgment. The appellate hearing was subsequently held in January 2026. As at the reporting date, the Group has not yet received the written judgment from the appellate court.

In parallel, enforcement actions (specifically the auction of the 25.1259% equity interest of Guangxi Weiri) related to the reimbursement order of RMB1.5 million remain unchanged pending the outcome of the Appeal. The Group continues to actively engage its PRC legal counsel to defend its position and will closely monitor all developments.

Metals and minerals trading

The metals and minerals trading industry has remained weak with low profit margins. As such the operating segment remained dormant over the past years and the Group did not conduct any metal ore trading operations during the year. To streamline our business structure and optimize resource allocation, the chief operating decision maker ceased to regard this business as an operating segment of the Group during the reporting period, and reallocate the results from this operating segment into unallocated corporate expenditures for the years ended 31 March 2025 and 2026.

FINANCIAL REVIEW

Revenue and cost of sales

During the reporting period, the Group generated revenue of approximately HK$41.1 million (2025: approximately HK$3.0 million). This growth was primarily driven by (i) the additional revenue of approximately HK$19.4 million generated from the e-Mobility Solution business comprising of EV logistics services, charging services and leasing of EV, which commenced in the second half of the financial period; and (ii) significant increase in sales of electric vehicles attributable to a customer deposit of USD2.1 million (equivalent to approximately HK$16.4 million) being forfeited upon termination of a sale contract entered into in prior years.

	2026		2025	
	HK$'000	**%**	HK$'000	%
Sales of electric vehicles	**21,720**	**52.8**	3,012	100.0
Logistic services by electric vehicles	**15,631**	**38.0**	–	–
Rental income from lease of electric vehicles	**3,723**	**9.1**	–	–
Charging services	**24**	**0.1**	–	–
Total	**41,098**	**100.0**	3,012	100.0

Cost of sales primarily includes (i) logistic solution related costs, which encompass labor cost, vehicle maintenance and depreciation, as well as operational support related expenses such as system management fees; and (ii) the cost of production of the goods sold during the reporting period, which consists direct parts, materials, processing fee, labor cost and manufacturing overhead, including depreciation of assets associated with production and write-down of inventories.

Gross profit/(loss)

During the reporting period, the gross profit of the Group was approximately HK$15.4 million (2025: gross loss of approximately HK$2.0 million). The reason of the significant improvement of gross profit margin was driven by a USD2.1 million (equivalent to approximately HK$16.4 million) revenue from forfeiture of a customer's deposit. Excluding this one-off income, the gross margin of the Group remains negative due to the write-down of inventories amounted to approximately HK$2.6 million (2025: approximately HK$2.1 million) attributed to the dead stocks including the unsold traditional bus and other aging raw materials.

Administrative and other operating expenses

Administrative expenses amounted to approximately HK$34.9 million (2025: approximately HK$39.9 million) for the year, decreasing by 12.5% compared to the previous year. Administrative expenses mainly consist of (i) employee compensation, including salaries and other benefits; (ii) legal and professional fees; and (iii) amortisation and depreciation expenses. The decrease in administrative expenses was mainly attributable to a decrease in legal and professional fees for the year. Details of the items are set out in Note 11.

Impairment of mining assets

In accordance with an independent valuation report on the Glauberite Mine, the fair value of the Glauberite Mine as at 31 March 2026 is approximately RMB544.8 million, which is lower than its carrying value of approximately RMB787.8 million and hence the impairment loss on the mining assets of approximately RMB243.0 million, equivalent to approximately HK$267.0 million (2025: approximately HK$284.8 million), was made in the current year. The decrease in fair value of the mining assets was mainly driven by (i) the decrease in thenardite price; and (ii) an increase in in post-tax discount rate. Details of the items are set out in Notes 19.

Write-off of other receivables and prepayments

The write-off of other receivables and prepayments amounted to approximately HK$0.4 million (2025: approximately HK$16.4 million) for the year. During the year ended 31 March 2025, a prepayment of approximately HK$15.8 million to a supplier was written off to profit or loss as the balance was considered to be irrecoverable.

Change in fair value and realised loss on disposal of financial assets at FVTPL

During the reporting period, (i) no amounts (2025: approximately HK$10.3 million) was recognised as change in fair value on the equity interests in Quantron AG ("Quantron"); and (ii) no realised loss (2025: approximately HK$11.6 million) was recognised on the disposal of equity interests in Quantron.

Finance costs

Finance costs amounted to approximately HK$742,000 (2025: approximately HK$397,000) for the year. They mainly consist of interests on lease liabilities, convertible notes and other borrowings.

Other income

The other income amounted to approximately HK$3.2 million (2025: approximately HK$1.5 million) for the year. During the reporting period, there was a gain of approximately HK$2.9 million on reversal of provision of contractual penalty due to the settlement agreement entered with a supplier.

LIQUIDITY AND FINANCIAL RESOURCES

The directors have considered various ways of raising funds. During the year ended 31 March 2026, the Group (i) completed two separate placings of new shares under general mandate in May and December 2025; and (ii) completed a subscription of new shares under specific mandate in September 2025. These fund raising activities serve as significant financial support for enhancing liquidity and future development.

As at 31 March 2026, the net asset value of the Group amounted to approximately HK$656.3 million (2025: approximately HK$847.9 million). The gearing ratio of the Group was 5.51% (2025: 2.14%) and the equity attributable to owners of the Company was approximately HK$683.3 million (2025: approximately HK$872.6 million). As at 31 March 2026, loans and other borrowings of the Group amounted to HK$13,423,000 (31 March 2025: HK$nil). Of the loans and borrowings, HK$5,395,000 (31 March 2025: HK$nil) were short-term loans repayable within one year. Such loans were denominated in Renminbi. Long-term loans repayable after one year amounted to HK$8,028,000 (31 March 2025: HK$nil), and they were denominated in Renminbi. As at 31 March 2026, the Group's loans under fixed rate arrangement constituted 100% of its loans and other borrowings.

The operating cash flows of the Group are mainly denominated in Hong Kong dollars, Renminbi, US dollars and Euro. Certain bank deposits, receivables and payables of the Group are denominated in Renminbi, US dollars and Euro. As at 31 March 2026, the Group had unrestricted cash and bank balances of approximately HK$2.1 million (2025: approximately HK$8.4 million), of which approximately 6.6% (2025: approximately 12.2%) was denominated in HK dollars and approximately 88.2% (2025: approximately 86.5%) was denominated in Renminbi.

During the reporting period, the exchange rate of the Renminbi appreciated by approximately 5.6% against the Hong Kong dollar. This had a positive impact on the Group's results upon translation of the Group's assets that are denominated in Renminbi. The Group has not entered into any foreign currency exchange forward contracts for hedging purposes for Renminbi during the year. Foreign exchange exposure in respect of US dollars is considered to be minimal as the exchange rate between Hong Kong dollars and US dollars is pegged. Foreign exchange exposure in respect of the Euro is also considered to be minimal in the current year. The Group will closely monitor its currency exposure and, when it considers appropriate, will take the necessary actions to ensure that such exposure is properly hedged.

USE OF PROCEEDS

Placing under general mandate

On 17 April 2025, the Company and Yicko Securities Limited ("Yicko") entered into a placing agreement ("First Placing Agreement"), pursuant to which Yicko had conditionally agreed to procure, on a best effort basis, not less than six placees, to subscribe for a maximum of 27,000,000 new Shares ("First Placing Share(s)") at a price of HK$0.30 per Share ("First Placing"). The placing price of HK$0.30 per placing Share represented a premium of approximately 1.69% to the closing price of HK$0.295 per Share as quoted on the Stock Exchange on 17 April 2025, being the date of the First Placing Agreement.

The completion of the First Placing took place on 9 May 2025 and an aggregate of 27,000,000 First Placing Shares, representing approximately 11.90% of the issued share capital of the Company as enlarged by the allotment and issue of the First Placing Shares immediately upon completion of the First Placing, had been placed to not less than six placees, at the placing price of HK$0.30 per Share. The net proceeds from the First Placing (after deducting the commission payable to Yicko and other related expenses incurred in the First Placing) were approximately HK$7.8 million, representing a net price of approximately HK$0.29 per First Placing Share. The Company intended to use the net proceeds from the First Placing for the general working capital of the Group. As at 31 March 2026, the net proceeds from the First Placing were fully utilised as intended.

On 10 November 2025, the Company and China Sunrise Securities (International) Limited ("China Sunrise") entered into a placing agreement ("Second Placing Agreement"), pursuant to which China Sunrise had conditionally agreed to procure, on a best effort basis, not less than six placees, to subscribe for a maximum of 26,000,000 new Shares ("Second Placing Share(s)") at a price of HK$0.78 per Share ("Second Placing"). The placing price of HK$0.78 per Second Placing Share represented a discount of approximately 14.29% to the closing price of HK$0.910 per Share as quoted on the Stock Exchange on 10 November 2025, being the date of the Second Placing Agreement.

The completion of the Second Placing took place on 1 December 2025 and an aggregate of 20,000,000 Placing Shares, representing approximately 6.31% of the issued share capital of the Company as enlarged by the allotment and issue of the Second Placing Shares immediately upon completion of the Second Placing, had been placed to not less than six placees, at the placing price of HK$0.78 per Second Placing Share. The net proceeds from the Second Placing (after deducting the commission payable to China Sunrise and other related expenses incurred in the Second Placing) were approximately HK$15.4 million, representing a net price of approximately HK$0.77 per Second Placing Share. The Company intended to apply the net proceeds from the Second Placing as to (i) approximately HK$12.0 million as the development and expansion of the Group's new energy business, particularly the e-Mobility Solutions business; and (ii) approximately HK$3.4 million as the replenishment of the Group's general working capital. As at 31 March 2026, the net proceeds from the Second Placing were fully utilised as intended.

Subscription under specific mandate

On 18 July 2025, the Company and Total Honest Investment Limited ("Total Honest") entered into a subscription agreement ("Subscription Agreement"), pursuant to which the Company had conditionally agreed to issue and allot, and Total Honest had conditionally agreed to subscribe for, 60,000,000 shares ("Subscription Shares") at the subscription price of HK$0.45 per Subscription Shares ("Subscription"). The subscription price of HK$0.45 per Subscription Share represented a discount of approximately 33.8% to the closing price of HK$0.680 per Share as quoted on the Stock Exchange on 18 July 2025, being the date of the Subscription Agreement.

The completion of the Subscription took place on 10 September 2025 and 60,000,000 Subscription Shares, representing approximately 20.91% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately upon completion of the Subscription, had been allotted and issued to Total Honest, at the subscription price of HK$0.45 per Subscription Share. The net proceeds from the Subscription were approximately HK$26.8 million, representing a net price of approximately HK$0.44 per Subscription Share. The Company intended to apply the net proceeds from the Subscription as to (i) approximately HK$2.2 million for working capital for the completion of existing purchase orders; (ii) approximately HK$17.8 million for the initial working capital for the provision of transport solutions business in the PRC; and (iii) approximately HK$6.8 million for general working capital of the Group. As at 31 March 2026, the net proceeds from the Subscription were fully utilised as intended.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

The Mining Rights were frozen under the Mining Rights Preservation in relation to the Arbitration for a period of three years from 26 May 2023 to 26 May 2026. Details of the Arbitration are set out in the "Business Review" section above.

Save as disclosed herein, there was no other charge on the Group's assets and the Group did not have any significant contingent liabilities not accounted for as at 31 March 2026.

SIGNIFICANT INVESTMENTS HELD

There was no significant investment held by the Group as at 31 March 2026.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not undertake any material acquisition or disposal of subsidiaries, associates or joint ventures during the year ended 31 March 2026.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group employed 59 (31 March 2025: 41) full-time managerial and skilled staff principally in Hong Kong and the PRC. The Group remunerates and provides benefits for its employees based on current industry practices. Discretionary bonuses and other individual performance bonuses are awarded to staff based on the financial performance of the Group and performance of individual staff. In the PRC, the Group provides staff welfare for its employees in accordance with prevailing labor legislation. In Hong Kong, the Group provides staff benefits including the mandatory provident fund scheme and medical scheme. In addition, share options and share awards may be granted to eligible employees to provide appropriate long-term incentive in accordance with the terms of the Company's share schemes.

EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting period, the Company conducted two separate subscriptions of new shares of the Company to an independent third party under the general mandate granted to the directors on 29 September 2025: (i) to issue 3,830,000 new shares at the subscription price of HK$0.512 per subscription share on 24 April 2026; and (ii) to issue 3,840,000 new shares at the subscription price of HK$0.52 per subscription share on 14 May 2026. The aggregated net proceeds from the above subscriptions were approximately HK$3.92 million after deducting the related expenses incurred.

The directors herein present their report and the audited financial statements of the Group for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries during the year consist of investment holding, development and sales of electric vehicles, mining and new energy transport and operations.

SEGMENT INFORMATION

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2026 are set out in the "CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME" on pages 56 to 57 of this annual report.

The directors do not recommend the payment of any dividend for the year (2025: HK$nil).

BUSINESS REVIEW

A review of the business of the Group during the year, a discussion on its performance in different segments and an indication of likely future development in the Group's business are provided in the "CHAIRMAN'S STATEMENT" and "MANAGEMENT DISCUSSION AND ANALYSIS" on pages 3 to 19 of this annual report.

Financial key performance indicators

Set forth below are certain key performance indicators of the Group for the years ended 31 March 2026 and 2025:

	2026	2025
Revenue	**HK$41.1 million**	HK$3.0 million
Loss attributable to owners of the Company	**HK$(292.0 million)**	HK$(372.0 million)
Current ratio (current assets divided by current liabilities)	**0.5 times**	0.4 times
Gearing ratio (debts divided by equity attributable to owners of the Company)	**5.51%**	2.14%
Net assets value per share(net assets divided by total number of shares)	**HK$2.1**	HK$4.2

Principal risks and uncertainties

The Group's business may be affected by risks and uncertainties which are known and set out below:

1. Most of the Group's assets are denominated in Renminbi. As a result, fluctuations in exchange rates may have negative impact on the overall results and financial position. The exchange rate of Renminbi appreciated by approximately 5.9% against Hong Kong dollars during the year. Hence, the results and financial position are positively affected when they are translated into Hong Kong dollars for reporting purposes;

2. The Group's reported results could be affected by the impairment of non-financial assets. The Group may be required to recognise or reverse the impairment charges as a result of various factors including the prevailing product selling price, discount and exchange rates, operating and development cost projections, etc. The recognition or reversal of impairment charge may have material non-cash effect to the Group's results during the relevant year but will not affect the future business operations and financial conditions of the Group;

3. The development and sales of electric vehicles business of the Group is subject to relevant governmental policies and subsidies. Policy shifts may lead to changes of products and the amount of subsidies receivable. The Group closely monitors such shifts as well as strives to improve its technology and expand its market share;

4. The Group's newly established e-Mobility Solutions business is subject to industrial risks and uncertainties. The successful deployment of our integrated green logistics ecosystem is highly dependent on the continuous support of government policies and infrastructure development along key transportation corridors. Any adverse changes in environmental regulations or green power quotas could possibly impact our operational efficiency and profitability. Furthermore, the expansion of our electric heavy truck fleet and charging infrastructure requires upfront investment and ongoing financing. The Group's ability to secure adequate funding, coupled with the commissioning of charging stations and the successful execution of long-term operational agreements with customers, remains critical to achieving the anticipated recurring revenue streams and scaling the business as planned.

5. At the end of the reporting period, the Group had a certain concentration of credit risk were 60% (2025: 97%) and 95% (2025: 100%) of the trade-related receivables and contract assets due from the Group's largest customer and the five largest debtors respectively. The Group generally provides a credit period of 30 to 365 days to its customers or allows the customers to make instalment payments over three to five years. The Group maintains strict control over receivables which are reviewed regularly by senior management. The Group also endeavors to obtain quality and trustworthy customers and targets to maintain long-term strategic relationships with them; and

6. In addition, various capital and financial risks have been disclosed in Notes 40 and 41 to the consolidated financial statements.

Environmental policies and performance

The Group recognises its responsibility to protect the environment from the adverse effects of its business activities. The Group continually seeks to identify and manage the environmental impact attributable to its operational activities in order to minimise this impact if possible. It aims to implement effective energy conservation measures by encouraging recycling, and upgrading equipment such as lighting and air-conditioning systems in order to increase overall operating efficiency. Discussion on the Group's environmental policies and performance are provided in the "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2026" which is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.evdynamics.com.

Compliance with laws and regulations

During the year under review, as far as the Group is aware, there was no material breach or non-compliance with applicable laws and regulations that had a significant impact on its business and operations. The Group has continuously reviewed the newly enacted laws and regulations affecting its operations.

The Group complies with the requirements under the Companies Ordinance, the Listing Rules, and the Securities and Futures Ordinance (the "SFO"), among other things, the disclosure of information and corporate governance, and the Group has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules.

Relationships with employees, customers and suppliers

1. The sustainable development of the Group depends on the efforts and contribution of our staff. Most of the management and general staff have been serving the Group for a long period of time. The Group ensures all staff are reasonably remunerated and regularly reviews the employment policies on remuneration and other benefits.

2. The Group maintains close contact with its customers and regularly reviews requirements of customers and complaints. The Group values the views and opinions of all customers and understands the market trends from the customer's perspective through their feedback.

3. The Group maintains good relationship with the suppliers so as to achieve long-term commercial benefits. The responsible departments work closely to make sure the procurement process is conducted in an open and fair manner. The Group's requirements and standards are also well communicated to suppliers before the commencement of a project.

FIVE-YEAR FINANCIAL SUMMARY

The following is a summary of the results of the Group for the last five financial reporting years and of its assets and liabilities as at the respective financial reporting year-end dates, as extracted from its published audited consolidated financial statements.

RESULTS

	Year ended 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
REVENUE	**41,098**	3,012	42,239	36,347	49,947
LOSS BEFORE INCOME TAX	**(293,236)**	(374,029)	(326,951)	(81,518)	(418,709)
Income tax credit	**123**	121	122	127	3,618
LOSS FOR THE YEAR	**(293,113)**	(373,908)	(326,829)	(81,391)	(415,091)
ATTRIBUTABLE TO:					
Owners of the Company	**(291,999)**	(372,028)	(319,337)	(81,160)	(408,335)
Non-controlling interests	**(1,114)**	(1,880)	(7,492)	(231)	(6,756)
	(293,113)	(373,908)	(326,829)	(81,391)	(415,091)

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

	As at 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
TOTAL ASSETS	**792,408**	976,987	1,351,168	1,709,870	2,011,715
TOTAL LIABILITIES	**(136,134)**	(129,060)	(134,869)	(91,554)	(201,065)
NON-CONTROLLING INTERESTS	**27,072**	24,691	29,914	40,609	43,186
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	**683,346**	872,618	1,246,213	1,658,925	1,853,836

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group are set out in Note 15 to the consolidated financial statements.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in Note 18 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year, together with the reasons thereof, are set out in Note 33 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws of the Company or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RESERVES

Details of movements in the reserves of the Group during the year are presented in the "CONSOLIDATED STATEMENT OF CHANGES IN EQUITY" on page 60 of this annual report.

DISTRIBUTABLE RESERVES

At the end of the reporting period, the Company had no retained profits available for distribution. Under the Companies Act 1981 of Bermuda (as amended from time to time) ("Companies Act"), the contributed surplus of the Company in the amount of HK$87,109,000 as at 31 March 2026 (2025: HK$87,109,000) is distributable to shareholders in certain circumstances, prescribed by Section 54 thereof as mentioned in Note 35(b) to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the financial year is as follows:

	Percentage of the Group's total
Sales	
– The largest customer	40.0%
– Five largest customers combined	98.7%
Purchases	
– The largest supplier	82.2%
– Five largest suppliers combined	97.4%

None of the directors, their associates or any shareholders (which to the knowledge of the directors owns more than 5% of the Company's share capital) had an interest in the major customers or suppliers noted above.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors

Ms. Chan Hoi Ying (Chairman)	
Mr. Zeng Yan (Chief Executive Officer)	*(appointed on 27 October 2025)*
Mr. Yan Zhang Yan	*(appointed on 1 September 2025)*
Mr. Cheung Ngan	*(retired on 29 September 2025)*
Mr. Sun Jingchun	*(retired on 29 September 2025)*

Independent non-executive directors

Mr. Chan Francis Ping Kuen	
Mr. Chen Zhang Liang	*(appointed on 9 December 2025)*
Mr. Gong Dao Jun	*(appointed on 9 December 2025)*
Ms. Chiang Siu Ling, Samantha	*(appointed on 27 October 2025)*
Mr. Lee Kwok Leung	*(resigned on 9 December 2025)*
Dato' Tan Yee Boon	*(resigned on 9 December 2025)*

Ms. Chan Hoi Ying shall retire from the Board by rotation in accordance with Bye-Law 111, and being eligible, shall offer herself for re-election as director of the Company at the forthcoming annual general meeting.

In accordance with Bye-Law 115, Mr. Zeng Yan, Mr. Yan Zhang Yan, Mr. Chen Zhang Liang, Mr. Gong Dao Jun and Ms. Chiang Siu Ling, Samantha, who have been newly appointed as directors of the Company, shall hold office only until the forthcoming annual general meeting of the Company and shall then be eligible for re-election at the meeting.

Mr. Chen Zhang Liang will not offer himself for re-election at the the forthcoming annual general meeting and his directorship and committee memberships of the Company will cease upon the conclusion of the forthcoming annual general meeting.

PERMITTED INDEMNITY PROVISION

The Company has arranged appropriate directors' and officers' liability insurance coverage in respect of legal actions against the directors and officers of the Group throughout the year.

The permitted indemnity provision is in force for the benefit of the directors as required by Section 470 of the Companies Ordinance when the directors' report is approved in accordance with Section 391(1)(a) of the Companies Ordinance.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to shareholders by reason of their holding of the Company's securities.

EMOLUMENT POLICY

The emoluments of the directors and senior management of the Company are decided by the Remuneration Committee, with regard to the individual performance, market competitiveness, time commitment and comparable market statistics.

The emoluments of employees of the Group were determined on the basis of their performance, qualifications and competence.

Details of the directors' remuneration and that of the five highest paid individuals of the Group are set out in Notes 9 and 10 to the consolidated financial statements, respectively.

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or subsisted during the year.

EQUITY LINKED AGREEMENTS

The Group's equity linked agreements entered into during the year or subsisting at the end of the year include the convertible notes, share option scheme and share award plan which are detailed below:

Convertible notes

On 13 September 2024, the Company issued 5,000,000 4% convertible notes (the "Convertible Notes") for a principal amount of HK$5 million at the conversion price of HK$0.5 per conversion share (adjusted after the Share Consolidation took effect on 13 November 2024) under the general mandate granted to the directors of the Company on 15 August 2024.

During the year ended 31 March 2026, all conversion rights over the Convertible Notes have been fully exercised and converted into 10,000,000 conversion shares. Details of the convertible notes of the Group are set out in Note 32 to the consolidated financial statements.

Share schemes

The Company adopted a share option scheme (the "2013 Share Option Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group. The 2013 Share Option Scheme became effective on 30 August 2013 and expired on 30 August 2023. In view of expiration of the 2013 Share Option Scheme and no further options can be granted under the 2013 Share Option Scheme thereafter, the Company then adopted a new share option scheme (the "2023 Share Option Scheme") by way of an ordinary resolution at the annual general meeting of the Company held on 29 August 2023.

A share award plan (the "2019 Share Award Plan") was adopted by the Company on 8 May 2019 and is effective for 10 years expiring on 8 May 2029 (or such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any selected participants). On 29 August 2023, certain amendments to the 2019 Share Award Plan were proposed by the Board and approved by the shareholders of the Company to bring the 2019 Share Award Plan in line with the amendments to the Listing Rules relating to share schemes of listed issuer, which took effect on 1 January 2023. Details of the amended 2019 Share Award Plan are set out in the circular of the Company dated 28 July 2023. Pursuant to the amended 2019 Share Award Plan, the Board may award shares to selected participants ("Selected Participants"), with such shares being subscribed or acquired by the independent trustee from the market, at the cost of the Company and be held on trust as a share pool for the Selected Participants until they vest. Vested shares will be transferred at no cost to the Selected Participants.

The maximum number of shares in respect of which options and awards may be granted (the "Overall Scheme Limit") under the 2023 Share Option Scheme and the amended 2019 Share Award Plan (together as the "Existing Schemes") shall not (when aggregated with any shares subject to any other share option scheme and share award plan that involve the issuance of new shares of the Company) exceed 10% of the issued share capital as at the adoption date.

As at 1 April 2025 and 31 March 2026, being the beginning and the end of the financial year of this report, the total number of options and awards available for grant under the Overall Scheme limit of the Existing Schemes were 18,559,357. No service provider sublimit is applicable to the Existing Schemes.

2013 Share Option Scheme

As at the date of this annual report, 7,752,746 options are outstanding and so a total of 7,752,746 shares are available for issue under the 2013 Share Option Scheme, representing 2.39% of the issued shares of the Company. All outstanding options granted under the 2013 Share Option Scheme prior to its expiration will continue to be valid and exercisable in accordance with the rules of the 2013 Share Option Scheme.

The detailed movement of the share options under 2013 Share Option Scheme for the year ended 31 March 2026 are set out as follows:

			Number of underlying shares comprised in share options				
Name and category of participant	**Date of grant**	**Exercise price**	**Outstanding at 1 April 2025**	**Lapsed/ forfeited during the year**	**Outstanding at 31 March 2026**	**Exercise period**	**Vesting period**
Directors							
Mr. Cheung Ngan (retired on 29 September 2025)	20 December 2022	HK$2.05	168,132	(168,132)	–	20 December 2022 to 19 December 2032	N/A
	10 March 2016	HK$16.05	69,121	(69,121)	–	10 March 2016 to 24 February 2031	10 March 2016 to 11 March 2020
Ms. Chan Hoi Ying	20 December 2022	HK$2.05	168,132	–	168,132	20 December 2022 to 19 December 2032	N/A
	10 March 2016	HK$16.05	69,121	(69,121)	–	10 March 2016 to 09 March 2026	10 March 2016 to 11 March 2020
Mr. Chan Francis Ping Kuen	20 December 2022	HK$2.05	168,132	–	168,132	20 December 2022 to 19 December 2032	N/A
	10 March 2016	HK$16.05	69,121	(69,121)	–	10 March 2016 to 09 March 2026	10 March 2016 to 11 March 2020
Mr. Lee Kwok Leung (resigned on 9 December 2025)	20 December 2022	HK$2.05	168,132	(168,132)	–	20 December 2022 to 19 December 2032	N/A
Dato' Tan Yee Boon (resigned on 9 December 2025)	20 December 2022	HK$2.05	168,132	(168,132)	–	20 December 2022 to 19 December 2032	N/A
Other employees							
12 employees	20 December 2022	HK$2.05	4,259,340	–	4,259,340	20 December 2022 to 19 December 2032	N/A
16 employees	25 February 2021	HK$6.95	3,157,142	–	3,157,142	25 February 2021 to 24 February 2031	N/A
12 employees	10 March 2016	HK$16.05	4,670,329	(4,670,329)	–	10 March 2016 to 09 March 2026	10 March 2016 to 11 March 2020
Total			**13,134,834**	**(5,382,088)**	**7,752,746**		

2023 Share Option Scheme

Purpose	The purpose of the 2023 Share Option Scheme is to provide a flexible and effective means of incentivising, rewarding, remunerating, compensating and/or providing benefits to eligible participants who contribute to the success of the Group.
Participants	Eligible participants of the 2023 Share Option Scheme are any employee (including directors) of the Company or any of its subsidiaries.
Shares available for issue	As at the date of this annual report, the total number of shares available for issue under the Existing Schemes were 18,559,357 shares, representing approximately 5.72% of the issued shares of the Company.
Maximum entitlement of each participant	The maximum number of shares in respect of which options may be granted to a specifically identified single participant under the 2023 Share Option Scheme in any 12-month period up to and including the date of such grant shall not (when aggregated with any shares subject to any other share option scheme and share award plan that involve the issuance of new shares of the Company excluding any options and awards lapsed in accordance with the terms of the 2023 Share Option Scheme and amended 2019 Share Award Plan (the "Schemes")) exceed 1% of the shares in issue. Each grant of options to a participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the 2023 Share Option Scheme must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is the proposed grantee of such options). Where any grant of options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all options and awards already granted (excluding any options and awards lapsed in accordance with the terms of the Schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares in issue, such further grant of options by the Board must be approved by the shareholders of the Company in general meeting (the vote on such approval to be taken on a poll) and whereby the Company must have sent a circular to the shareholders of the Company. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.
Exercise period	The option period during which an option may be exercised will be determined by the directors at their discretion, save that such period does not exceed 10 years from the offer date of such option.
Vesting period	The Board may, at its absolute discretion, specify performance targets that must be achieved before an option can be exercised and/or the minimum period for which an option must be held before it can be exercised which shall not be less than 12 months.
Amount payable on application or acceptance of the option	Acceptance of the offer shall be made within 21 days after the offer date with payment of HK$1 to the Company by way of consideration for the grant.
Basis of determining the exercise price of options granted	The exercise price of the share options shall be at least the higher of (i) the closing price of the shares on the Stock Exchange on the date of offer; and (ii) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of offer.

Remaining life	The 2023 Share Option Scheme, unless otherwise cancelled or amended, will remain in force for 10 years from the adoption date. As at the date of this annual report, the remaining life of the 2023 Share Option Scheme is approximately 7 years.

No share option has been granted under 2023 Share Option Scheme since its adoption.

2019 Share Award Plan

Purpose	The purpose of the amended 2019 Share Award Plan is to recognise and reward the contribution of eligible participants to the growth and development of the Group, to give incentives to eligible participants in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group.
Participants	Eligible participants of the amended 2019 Share Award Plan are any employee (including directors) of the Company or any of its subsidiaries.
Shares available for issue	As at the date of this annual report, the total number of shares available for issue under the Existing Schemes were 18,559,357 shares, representing approximately 5.72% of the issued shares of the Company.
Maximum entitlement of each participant	The maximum number of shares which may be subject to an award or awards to a Selected Participant in the 12-month period up to and including the date of grant of such award together with any shares issued and to be issued under any options granted to such Selected Participant under any share option schemes of the Company shall not in aggregate exceed 1% of the total number of issued shares as at the date of grant of such award. Any grant of further awards above this limit shall be subject to (i) the approval of the shareholders at a general meeting, with such Selected Participant and his close associates (or associates if the Selected Participant is a connected person) abstaining from voting; (ii) a circular in relation to the proposal for such grant having been sent by the Company to the shareholders containing a generic description of the specified Selected Participants in question, the number and terms of the awards to be granted to each specified Selected Participant, the purpose of granting awards to the specified Selected Participants with an explanation as to how the terms of the awards serve such purpose and such information from time to time as may be required by the Listing Rules; and (iii) the number of awarded shares to be awarded and the terms of the awards to be granted to such proposed grantee shall be fixed before the relevant general meeting of the shareholders.

	Where any grant of awards to a Selected Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, such grant must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is the proposed grantee of the awards). However, if such grant would result in the shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the amended 2019 Share Award Plan) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the relevant class of shares in issue (excluding treasury shares), such further grant of awards must be approved by shareholders of the Company in general meeting (the vote on such approval to be taken on a poll) and whereby the Company must send a circular to the shareholders. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.
Vesting period	The vesting period shall not be less than 12 months (save where applicable under the Listing Rules when the Board or the Remuneration Committee has at its discretion approved the making of Awards to a specific Selected Participant who is an employee with a shorter vesting period, and has clearly explained the reason for so doing in the grant announcement published by the Company as required under the Listing Rules).
Amount payable on application or acceptance of the award	The Board shall specify, in its absolute discretion, the amount (if any) payable on application or acceptance of an award and the period within which any such payments must be made.
Basis of determining the purchase price of award	In the event that the trustee effects any purchases by off-market transactions, the purchase price for such purchases shall not be higher than the lower of (i) the closing market price on the date of such purchase, and (ii) the average closing market price for the five preceding trading days on which the shares were traded on the Stock Exchange.
Remaining life	As at the date of this report, the remaining life of the 2019 Share Award Plan is approximately 2 years and 10 months.

During the year ended 31 March 2026, no Awards has been granted, exercised, lapsed, canceled or forfeited under the 2019 Share Award Plan (2025: nil). As at 1 April 2025 and 31 March 2026, there was no outstanding or unvested Awards granted under the 2019 Share Award Plan.

During the year ended 31 March 2026, there was no option or award granted under the Existing Schemes. Hence, no share was or may be issued under the Existing Schemes.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Movements of the outstanding share options granted to the directors during the year ended 31 March 2026 are set out on pages 26 to 30 of this annual report.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Company's directors, their respective spouse, or children under eighteen years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

CONNECTED TRANSACTIONS

Details of the connected transactions undertaken by the Group during the years ended 31 March 2026 and 2025 are set out in Notes 31 and 39 to the consolidated financial statements. These transactions are entered in the ordinary course of business which were negotiated on normal commercial terms and on an arm's length basis and the Company has complied with the applicable requirements under the Listing Rules.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2026, the interests and short positions of the directors in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code to be notified to the Company and the Stock Exchange were as follows:

Number of shares or underlying shares

Name of Director	Capacity or nature of interest	Long position	Short position	Approximate percentage of shareholding in the Company or associated corporation
Mr. Yan Zhang Yan	Beneficial owner & interest of controlled corporation	60,000,000 (Note 1)	–	18.93%
Ms. Chan Hoi Ying	Beneficial owner	168,132 (Note 2)	–	0.05%
Mr. Chan Francis Ping Kuen	Beneficial owner	168,132 (Note 2)	–	0.05%

Notes:

1) 60,000,000 Shares were held by Total Honest Investment Limited, which was wholly owned by Mr. Yan Zhang Yan. Accordingly, Mr. Yan Zhang Yan is deemed to be interested in these Shares under the SFO.

2) Being options to acquire ordinary shares of the Company, and further details of which are set out in the section headed "Directors' Rights to Acquire Shares" above.

Save as disclosed above, as at 31 March 2026, none of the directors of the Company have interest or short positions in the shares and underlying shares or other securities of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 & 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

As set out in Note 31 to the consolidated financial statements, there were loans from two shareholders, Faith Profit Holding Limited and Entrust Limited. Faith Profit Holding Limited was wholly owned by Mr. Cheung Ngan (a former director of the Company who retired on 29 September 2025) and Ms. Chan Hoi Ying controlled 25% of Entrust Limited. Save as disclosed above, no director, whether directly or indirectly, had a material beneficial interest in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2026, the following shareholders had registered an interest or short position in the shares or underlying shares of 5% or more of the issued share capital of the Company in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Number of shares or underlying shares

Name of substantial shareholder	Capacity or nature of interest	Long position	Short position	Approximate percentage of shareholding in the Company
Mr. Yan Zhang Yan	Beneficial owner & interest of controlled corporation	60,000,000 (Note 1)	–	18.93%
Total Honest Investment Limited	Beneficial owner	60,000,000 (Note 1)	–	18.93%
Entrust Limited	Beneficial owner	19,654,550 (Note 2)	–	6.20%
Mr. Chan Tok Yu	Interest of controlled corporation	19,654,550 (Note 2)	–	6.20%
Ms. Siu Kwan	Interest of controlled corporation	19,654,550 (Note 2)	–	6.20%

Notes:

1) 60,000,000 Shares were held by Total Honest Investment Limited, which was wholly owned by Mr. Yan Zhang Yan, the executive director of the Company. Accordingly, Mr. Yan Zhang Yan is deemed to be interested in the shares in which Total Honest Investment Limited is interested under the SFO.

2) Entrust Limited is controlled as to 34% by Mr. Chan Tok Yu, 25% by Ms. Chan Hoi Ying (executive director of the Company), 25% by Mr. Chan Hin Yeung and 16% by Ms. Siu Kwan. Mr. Chan Tok Yu's interest is held by Ms. Siu Kwan as a trustee. Accordingly, Mr. Chan Tok Yu and Ms. Siu Kwan are deemed to be interested in the shares in which Entrust Limited is interested by virtue of the SFO.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN CONTRACTS

Details of the contract of significance between the Group and the substantial shareholders are set out in Notes 31 and 39 to the consolidated financial statements.

BIOGRAPHICAL DETAILS IN RESPECT OF DIRECTORS

Name	Age	Position held	Number of years of service	Business experience
Ms. Chan Hoi Ying	39	Chairman and Executive Director, and members of Remuneration Committee and Nomination Committee	10	Joined the Company in 2014 and was appointed as an executive director of the Company in 2016 and as the Chairman of the Company in 2025. Ms. Chan holds a Master's of Actuarial Practice from Macquarie University in Australia. She had worked for the audit department of Messrs. RSM Hong Kong for several years.
Mr. Zeng Yan	37	Chief Executive Officer and Executive Director	1	Appointed as an executive director of the Company on 27 October 2025 and the CEO on 3 December 2025. Mr. Zeng is currently the director and general manager of Zhongtong Kinetic Energy (Hangzhou) Technology Company Limited, a subsidiary of the Group. He holds a bachelor's degree in management from Zhejiang University and a master of science in international economics, banking and finance from Cardiff University in the United Kingdom.
Mr. Yan Zhang Yan	28	Executive Director	1	Appointed as an executive director of the Company on 1 September 2025. Mr. Yan specializes in the fields of digitalization and intelligent interactive technology of construction machinery. He holds a bachelor's degree in Applied Economics and master of Fine Arts in Interactive Media from the Macau University of Science And Technology.
Mr. Chan Francis Ping Kuen	67	Independent Non-Executive Director, Chairman of Audit Committee and Nomination Committee, and member of Remuneration Committee	21	Appointed as an independent non-executive director of the Company in September 2004. Mr. Chan holds a Bachelor's Degree in economics from the University of Sydney in Australia. He is a member of the Chartered Accountants Australia and New Zealand and the Hong Kong Institute of Certified Public Accountants. Mr. Chan has over 30 years of experience in auditing, accounting and financial management and previously worked for an international accounting firm and a number of companies listed in Hong Kong and the United States. He was previously an independent non-executive director from 10 May 2024 to 22 August 2025 at Indigo Star Holdings Limited (stock code: 8373), a company listed on the GEM of the Stock Exchange, and an executive director from 1 March 2020 to 1 October 2024 at Carrianna Group Holdings Company Limited (stock code: 0126), a company listed on the Main Board of the Stock Exchange.

Name	Age	Position held	Number of years of service	Business experience
Mr. Chen Zhang Liang	43	Independent Non-Executive Director, Chairman of Remuneration Committee, and members of Audit Committee and Nomination Committee	1	Appointed as an independent non-executive director of the Company on 9 December 2025. Mr. Chen holds a Master of Laws from Renmin University of China and has passed the Test for English Majors Band Eight (TEM-8). Mr. Chen served as a non-independent director of Chengdu RML Technology Company Limited, a company listed on ChiNext of Shenzhen Stock Exchange (Stock Code: 301050), from January 2023 to January 2024. From March 2012 to May 2018, Mr. Chen served as a director of Huafon Chemical Co., Ltd, a company listed on Shenzhen Stock Exchange (Stock Code: 002064). Prior to this, he served as a senior manager at Huafon Group Limited for over five years, specializing in asset management, restructuring and financing. He made significant contributions to company's development and sought strategic and cooperative opportunities for the company.
Mr. Gong Dao Jun	45	Independent Non-Executive Director and member of Audit Committee	1	Appointed as an independent non-executive director of the Company on 9 December 2025. Mr. Gong holds a Bachelor's Degree in Computer Science and Technology from Hunan University and a Master of Arts in Communication Studies from Beijing Normal-Hong Kong Baptist University (formerly known as "Beijing Normal University-Hong Kong Baptist University United International College"). He has extensive experience in business development and asset management in the digital entertainment sector. He is currently the Vice President at Kingsoft Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3888).
Ms. Chiang Siu Ling, Samantha	66	Independent Non-Executive Director	1	Appointed as an independent non-executive director of the Company on 27 October 2025. Ms. Chiang holds a PhD in Communication Studies from the Macau University of Science and Technology. She currently serves as Vice Dean of the Faculty of Humanities and Arts, office director of the Cultural and Sports Development, Art Troupe director, and PhD supervisor at the Macau University of Science and Technology. Ms. Chiang is currently a member of the Cultural Development Advisory Committee of the Macao SAR.

CHANGE IN DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Since the publication of the latest interim report and up to the date of this report, there are no changes in directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONFIRMATION OF INDEPENDENCE

The Company has received a written confirmation in respect of independence from each of the independent non-executive directors in compliance with Rule 3.13 of the Listing Rules and considers each of them to be independent.

CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out in the "CORPORATE GOVERNANCE REPORT" on pages 37 to 53 of this annual report.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors as at the date of this report, the Company has maintained sufficient public float as required under the Listing Rules during the reporting period.

AUDITOR

The consolidated financial statements have been audited by BDO Limited who will retire and, being eligible, offer themselves for re-appointment. A resolution will be proposed at the forthcoming annual general meeting to re-appoint BDO Limited as the Company's auditor.

On behalf of the Board
Chan Hoi Ying
Chairman and Executive Director

Hong Kong
30 June 2026

The Company is committed to achieving and maintaining high standards of corporate governance. The Board devotes considerable efforts to identify and formalise the best corporate governance practices suitable for the Company's needs.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code (the "Code") as set out in Appendix C1 of the Listing Rules. The Company has applied the principles in the Code and complied with the code provisions set out in the Code for the year ended 31 March 2026.

CODE OF CONDUCT ON DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as the code of conduct regarding directors' securities transactions.

All directors have confirmed, following specific enquiry by the Company, they have complied with the required standards set out in the Model Code during the year ended 31 March 2026.

The Board has also established written guidelines on no less exacting terms than the Model Code for the relevant employees, including any employee or a director or employee of a subsidiary or holding company who, because of his office or employment, is likely to be in possession of inside information in relation to the Company or its securities, in respect of their dealings in the Company's securities.

THE BOARD

The Board is responsible for the leadership and control of the Company and overseeing the Group's business, strategic decisions and financial performances. The Board delegates to the management team the day-to-day management of the Company's business including the preparation of annual and interim reports, and for implementation of internal control, business strategies and plans developed by the Board.

Where applicable, the executive directors and the senior management of the Group shall report to the Board and approval has to be obtained from the Board prior to any significant transactions. Senior management provides regular updates to the Board ensuring the directors have a comprehensive and consistently updated understanding of the Company's operations.

All directors have full and timely access to all relevant information of the Company, with a view to ensure that Board procedures and all applicable rules and regulations in the Bermuda Islands, Hong Kong and all other jurisdictions the Group operates in are followed.

Purpose, Value and Strategy

The Board has established the Company's purpose, values and strategy, and has satisfied itself that these and the Company's culture are aligned. The Company's mission is to build a sustainable future with advanced technology and the Company promotes innovation and accountability as its core values, striving to adopt sustainable technology and promoting clean transportation. The Company has formulated corporate strategies to deliver its objectives and fulfill its purpose. For details, please refer to "MANAGEMENT DISCUSSION AND ANALYSIS" on pages 5 to 19 of this annual report.

Composition of the Board

The Board is currently comprised of three executive directors and four independent non-executive directors. The directors who served the Board during the year ended 31 March 2026 and up to the date of this annual report are as follows:

Executive directors

Ms. Chan Hoi Ying *(Chairman)*	
Mr. Zeng Yan *(Chief Executive Officer)*	*(appointed on 27 October 2025)*
Mr. Yan Zhang Yan	*(appointed on 1 September 2025)*
Mr. Cheung Ngan	*(retired on 29 September 2025)*
Mr. Sun Jingchun	*(retired on 29 September 2025)*

Independent non-executive directors

Mr. Chan Francis Ping Kuen	
Mr. Chen Zhang Liang	*(appointed on 9 December 2025)*
Mr. Gong Dao Jun	*(appointed on 9 December 2025)*
Ms. Chiang Siu Ling, Samantha	*(appointed on 27 October 2025)*
Mr. Lee Kwok Leung	*(resigned on 9 December 2025)*
Dato' Tan Yee Boon	*(resigned on 9 December 2025)*

Each of the directors' respective biographical details are set out in the "Biographical details in respect of directors" in the REPORT OF THE DIRECTORS on pages 20 to 36 of this annual report. The Board believes that its composition is well balanced with each director having sound knowledge, skills, diversity of perspectives, and experience and/or expertise relevant to the business of the Group.

The Company had arranged appropriate insurance cover for all directors.

Independent non-executive directors

More than one-third of the Board is independent non-executive directors and one of them has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. Each of the independent non-executive directors has made an annual confirmation of independence, and the Company considers that all of the independent non-executive directors are independent in accordance with the guidelines as set out in Rule 3.13 of the Listing Rules.

Although one of the independent non-executive directors, Mr. Chan Francis Ping Kuen, has been serving the Board for more than nine years, he has not engaged in any executive or management role of the Company. He has made considerable contributions to the Company with his relevant experience and knowledge throughout his years of service and has maintained an independent view in relation to the Company's affair. Hence, taking into consideration of his independence and integrity when performing duties as independent non-executive director over the past years, there is no evidence that length of tenure will have any adverse impact on his role. The Company therefore considers all of the independent non-executive directors are independent throughout the year under review.

In addition to the above, to the best knowledge of the directors, there is no financial, business, family or other material/relevant relationship among members of the Board.

Term of appointment of non-executive directors

It is the Company policy that all non-executive directors have been appointed for a term of two years. All directors are subject to retirement by rotation at least once every three years under the Company's Bye-Laws.

Directors' Training and continuous professional development

The directors acknowledge the importance of keeping abreast of the business activities and development of the Company, updating their professional development, and refreshing their knowledge and skills. The Company encourages the directors to participate in continuous professional development to develop and refresh their knowledge and skills to ensure their contribution to the Board remains informed and relevant accordance with code provision C.1.4 of the Code.

Each newly appointed director receives comprehensive, formal and tailored induction on the first occasion of his appointment, so as to ensure that he has appropriate understanding of the Group structure, Board and Board Committees meetings procedures, business, management and operations of the Company, etc. and that he is fully aware of his responsibilities and obligations under the Listing Rules, inside information provision under Part XIVA of the Securities and Future Ordinance (Chapter 571, the Laws of Hong Kong) and relevant regulatory requirements in the Bermuda Islands, Hong Kong and other jurisdictions the Group operates in.

All directors are continually updated with legal and regulatory developments, and the business and market changes to facilitate the discharge of their responsibilities.

According to the records maintained by the Company, during the year ended 31 March 2026, All the relevant directors have been updated with the latest developments regarding the Listing Rules, director's duties and responsibilities and anti-corruption and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices and key industry and business updates. In addition, continuous briefing and professional development to directors will be arranged whenever necessary.

Name of Directors	**Type of Training**
Executive directors	
Ms. Chan Hoi Ying *(Chairman)*	A, B
Mr. Zeng Yan *(Chief Executive Officer)*	A, B
Mr. Yan Zhang Yan	A, B
Independent non-executive directors	
Mr. Chan Francis Ping Kuen	A, B
Mr. Chen Zhang Liang	A, B
Mr. Gong Dao Jun	A, B
Ms. Chiang Siu Ling, Samantha	A, B

A: attending training sessions, including but not limited to, briefings, seminars, conferences and workshops

B: Reading materials relevant to corporate governance, director's duties and responsibilities, listing rules and other relevant ordinances, news alerts and publications

Besides, the Company continuously circulates information and materials to develop and update directors' knowledge and skills from time to time. All the information and materials are relevant to the Group's business, the economy, corporate governance, rules and regulations, accounting, financial or professional skills and/or directors' duties and responsibilities. There are also arrangements in place for providing continuous briefing and professional development to each director. All directors are encouraged to attend relevant training courses at the Company's expense. The Company Secretary is responsible for keeping records of training taken by each director.

Chairman and Chief Executive Officer

The roles of the Chairman of the Board and Chief Executive Officer with a clear division of responsibilities.

The Chairman continues to receive significant support from the directors. The Chairman is primarily responsible for the leadership of the Board, ensuring that all significant policy issues are discussed by the Board in a clear and constructive manner. All directors have been updated timely, giving a balanced and clear assessment of the Company's performance and business information. The Board, led by the Chairman, sets the overall direction, strategy and policies of the Company. The Chairman provides leadership for the Board to ensure that it works effectively, performs its responsibilities and acts in the best interests of the Company. He is also responsible for overseeing effective functioning of the Board and application of good corporate governance practices and procedures. The Chairman also encourages the directors to make full and active contributions to the Board's affairs, to voice their concerns or different views and ensure that the decisions fairly reflect the consensus. The Chairman also held meetings and have communications with the independent non-executive directors without the presence of other directors during the reporting period to discuss the Company's strategy, director's contributions, and their independent view.

The Chief Executive Officer is responsible for proposing strategy to the Board and ensuring effective implementation of the strategy set by the Board for the Company's business. The Chief Executive Officer reports to the Board on the Company's actual and forecast performance against its objectives and monitors the achievement of objectives of the business units.

The Chairman and Chief Executive Officer of the Company jointly oversee the daily management and operation of the various developments of the Group and business expansion. The Board also considers that there are adequate balance of power and safeguards in place and will review and monitor this situation periodically and will ensure that present structure would not impair the balance of power of the Company.

Appointment and re-election of directors

The Company follows a formal and considered procedure for the appointment of new directors. The Nomination Committee identifies suitably qualified individuals to the Board and makes recommendations on proposed appointments to complement the Company's corporate strategy. The Board shall select and appoint the candidates for directorships of the Company based on their appropriate experiences, personal skills and time commitments. Any director newly appointed shall hold office only until the next following general meeting after his appointment and be subject to re-election at such meeting.

In compliance with Rule 3.09D of the Listing Rules, all the newly appointed directors during the year have obtained the legal advice referred to in Rule 3.09D of the Listing Rules, and have confirmed that they understood their obligations as director:

- Mr. Yan Zhang Yan has obtained the legal advice on 27 August 2025;

- Mr. Zeng Yan and Ms. Chiang Siu Ling, Samantha have obtained the legal advice on 21 October 2025; and

- Mr. Chen Zhang Liang and Mr. Gong Dao Jun have obtained the legal advice on 9 December 2025.

All independent non-executive directors of the Company were appointed for a specific term, but subject to the relevant provisions of the Bye-Laws of the Company, or any other applicable laws whereby the directors shall vacate or retire from their office. All of them have entered into letters of appointment with the Company for a term of not more than two years.

According to the Bye-Laws of the Company, at each annual general meeting of the Company, one-third of the directors for the time being shall retire from office by rotation. Every director shall be subject to retirement by rotation at least once every three years.

Responsibilities of directors

The directors have disclosed to the Company at the time of their appointment, and in a timely manner for any change, the number and nature of offices they held in public companies or organisations and other significant commitments and appointments. They have also informed the Company of the identity of other public companies or organisations they serve and the time involved in serving these public companies or organisations.

The Company is satisfied that during the year, all directors have devoted sufficient time and attention to the affairs of the Company with their knowledge and expertise in the areas and operation in which he/she is charged with.

As for the independent non-executive directors, they have been making positive contribution by exercising their independent judgment at Board meetings and providing constructive and informed advice on the business strategy, policy, performance and management of the Company.

BOARD MEETINGS AND ATTENDANCE

At least four Board meetings were scheduled to be held a year to discuss and formulate the overall strategy as well as the operational and financial performance of the Group. Additional meetings would be arranged if and when required. Annual meeting schedules of each meeting of the Board and the Audit Committee, Nomination Committee and Remuneration Committee of the Company are normally made available to directors and members in advance. Board members are provided with meeting notice, all agenda and adequate information for their review at least 14 days before the meetings. The Board and committee members are supplied with comprehensive meeting papers and relevant materials within a reasonable period of time in advance of the intended meeting date (in any event no less than 3 days before the date of the meeting). All directors and the committee members are given opportunities to include matters in the agenda for regular Board and the committee meetings and/or their meetings, if required. To facilitate the decision-making process, the directors and the committee members are free to have access to the management for enquiries and to obtain further information, when required.

Directors and committees' members may participate either in person or through electronic means of communications. Directors and committees' members are free to contribute and share their views at meetings and major decisions only be taken after deliberation at meetings. Directors and committees' members who are considered to have conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions.

After the Board and Board committee meetings, draft minutes are circulated to all directors and members of the Board committees (as the case may be) for comments.

The Board and Board committee meeting minutes reflect the matters considered and decisions reached in appropriate details. All minutes are kept by the Company Secretary and available to all directors for inspection at all times.

The details of directors' attendance at the meetings (including the Board meetings, Remuneration Committee meetings, Audit Committee meetings, Nomination Committee meetings, annual general meeting and special general meeting) held during the year are set out as follows:

	Number of meetings attended and held					
Name	**Board meeting**	**Remuneration committee**	**Audit committee**	**Nomination committee**	**Annual general meeting**	**Special general meeting**
Executive directors:						
Ms. Chan Hoi Ying	11/11	3/3	N/A	4/4	1/1	1/1
Mr. Zeng Yan *(appointed on 27 October 2025)*	3/3	N/A	N/A	N/A	N/A	N/A
Mr. Yan Zhang Yan *(appointed on 1 September 2025)*	6/6	N/A	N/A	N/A	1/1	N/A
Mr. Cheung Ngan *(retired on 29 September 2025)*	5/5	2/2	N/A	2/2	1/1	1/1
Mr. Sun Jingchun *(retired on 29 September 2025)*	5/5	N/A	N/A	N/A	0/1	0/1
Independent non-executive directors:						
Mr. Chan Francis Ping Kuen	11/11	5/5	3/3	6/6	1/1	1/1
Mr. Chen Zhang Liang *(appointed on 9 December 2025)*	N/A	N/A	N/A	N/A	N/A	N/A
Mr. Gong Dao Jun *(appointed on 9 December 2025)*	N/A	N/A	N/A	N/A	N/A	N/A
Ms. Chiang Siu Ling, Samantha *(appointed on 27 October 2025)*	4/4	N/A	N/A	N/A	N/A	N/A
Mr. Lee Kwok Leung *(retired on 9 December 2025)*	10/10	N/A	3/3	N/A	1/1	1/1
Dato' Tan Yee Boon *(retired on 9 December 2025)*	10/10	4/4	3/3	5/5	1/1	1/1

BOARD COMMITTEE

The Board has established three committees with clearly-defined written terms of reference. The Company has in place effective mechanisms to ensure independent views and input are available to the Board. In particular, the Company plans Board and Board committees meeting schedules for the year in advance, so as to facilitate active attendance and participation of members in the meetings. Board or Board Committee members, especially independent non-executive directors, are welcome and are encouraged to raise enquiries, suggestions and views during the meetings. The independent views and recommendations of the three committees ensure proper control of the Group and the continual achievement of the high standard of corporate governance practices. The Board has conducted an annual review on such mechanisms during the year and is of the view that the mechanisms have been properly implemented and are effective.

All Board Committees are provided with sufficient resources to perform their duties and, upon reasonable request, there are procedures in place for the directors to seek independent professional advice in appropriate circumstance, at the Company's expense, if required.

Remuneration Committee

The Remuneration Committee is currently composed of two independent non-executive directors and one executive director, being Mr. Chen Zhang Liang (Chairman), Mr. Chan Francis Ping Kuen and Ms. Chan Hoi Ying respectively. The Remuneration Committee plays an advisory role to the Board and has every right to access to professional advice relating to remuneration proposal if considered necessary. The final authority to approve any remuneration package is retained by the Board. The full terms of reference setting out the authority of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The Remuneration Committee meets at least once a year and will meet as and when necessary or when requested by a Committee member.

The brief duties of the Remuneration Committee as per the terms of reference are as follows:

i) to formulate remuneration policy for the approval of the Board by taking into consideration of individual performance and the prevailing market comparable;

ii) to make recommendations to the Board on the Company's policy and structure for the remuneration of the directors and senior management;

iii) to have the delegated responsibilities to determine the specific remunerations package of individual executive directors and senior management; and

iv) to review and approve compensation payable to executive directors and senior management in connection with any loss or termination of their office or compensation arrangement relating to dismissal or removal of directors.

The summary of work of the Remuneration Committee during the year ended 31 March 2026 includes:

i) reviewed the policy for the remuneration of directors and senior management with reference to the Board's corporate goals and objectives;

ii) reviewed the remuneration of the independent non-executive directors; and

iii) made recommendations to the Board as to the remuneration packages of directors and senior management

Members of senior management during the reporting period comprised only of the executive directors and the details of the directors' remuneration are set out in Note 9 to the consolidated financial statements.

Audit Committee

The Audit Committee is currently composed of three independent non-executive directors, Mr. Chan Francis Ping Kuen (Chairman), Mr. Chen Zhang Liang and Mr. Gong Dao Jun. The Audit Committee is responsible for providing an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group, overseeing the audit process and the corporate governance functions. The Audit Committee also communicates among directors, the external auditor, the internal auditor and the management as regards financial reporting, internal control, risk management and the auditing. The full terms of reference setting out the authority of the Audit Committee are available on the websites of the Company and the Stock Exchange.

The Audit Committee meets at least twice a year and will meet as and when necessary or when requested by a Committee member, the external auditor or the internal auditor.

The brief duties of the Audit Committee as per the terms of reference are as follows:

i) to monitor integrity of the Company's consolidated financial statements and reports;

ii) to discuss with external auditor any matters arising from the audit of the Company's consolidated financial statements;

iii) to review financial controls, internal controls and risk management system; and

iv) to review the Company's financial and accounting policies and practices.

The summary of work of the Audit Committee during the year ended 31 March 2026 includes:

i) reviewed the interim report for the six months ended 30 September 2025 and the related results announcements;

ii) reviewed the annual financial statements for the year ended 31 March 2025 and the related results announcements;

iii) reviewed the Group's internal control system and discussed the relevant issues including financial, operational and compliance controls and risk management functions;

iv) reviewed the policies and practices on the Company's corporate governance, including respective policies and practices and disclosures in the Corporate Governance Report;

v) reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions;

vi) meeting with the internal auditor to discuss and confirm the audit plan, the risk management and internal control system of the Group and make recommendations in relation thereto;

vii) reviewed the internal audit report and the recommendations made to the Company and the effectiveness of internal audit activities;

viii) reviewed the effectiveness of the internal control and risk management systems;

ix) reviewed and recommended for the whistleblowing policy;

x) meeting with external auditor to discuss any issue arising from the audit and other matters the external auditor may raise; and

xi) reviewed the remuneration and terms of engagement of the Company's external auditor.

Nomination Committee

The Nomination Committee is currently composed of two independent non-executive directors and one executive director, being Mr. Chan Francis Ping Kuen (Chairman), Mr. Chen Zhang Liang and Ms. Chan Hoi Ying respectively. It considers matters regarding the nomination and appointment or re-appointment of directors. The Nomination Committee has the right to access to independent professional advice at the Company's expense if considered necessary. The full terms of reference setting out the authority of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

One of the responsibilities of the Nomination Committee is to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business, and able to devote sufficient time and attention to the affairs of the Company and make contributions to the Company that are commensurate with their role and board responsibilities. A balanced composition of executive directors and independent non-executive directors shall be included in the Board so that there is a strong independent element in the Board, which can effectively exercise independent judgement.

The Nomination Committee meets at least once a year and will meet as and when necessary or when requested by a Committee member. The brief duties of the Nomination Committee as per the terms of reference are as follows:

i) to review the structure, size and diversity (including but not limited to gender, cultural, educational background, ethnicity, professional experience, skills, knowledge and length of services) of the Board at least annually and make recommendations;

ii) to identify individuals suitably qualified to become board members and to receive nomination from shareholders or directors, and make recommendation on the selection of individuals nominated for directorship;

iii) to assess the independence of the independent non-executive directors in accordance with the Listing Rules and the Code; and

iv) to make recommendations to the board on the appointment or reappointment of directors and succession planning for directors.

The summary of work of the Nomination Committee during the year ended 31 March 2026 includes:

i) reviewed the structure, size and diversity of the Board, including but not limited to the independent non-executive directors, to ensure that it has a balance of expertise, skills and diversity of perspective appropriate to the business of the Company;

ii) identified individuals to become board members and make recommendation for directorship during the year;

iii) reviewed and made recommendations on the retirement of directors by rotation and the re-appointment of the retiring directors at the 2025 Annual General Meeting;

iv) reviewed and made recommendations on the re-appointment of directors during the year; and

v) assessed the independence of the independent non-executive directors.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group, as well as their responsibility for performing the corporate governance functions. The directors ensure that the financial statements for the year ended 31 March 2026 were prepared in accordance with statutory requirements and applicable accounting standards.

Disclaimer of Opinion

The Company's auditor, BDO Limited, issued a disclaimer of opinion on the Group's consolidated financial statements for the year ended 31 March 2026 due to scope limitation relating to appropriateness of the going concern assumption. Details are disclosed in the section headed "Basis for disclaimer of opinion" in the Independent Auditor's Report on pages 54 to 55 of this annual report.

Position and basis of the management on the disclaimer of opinion

The Company understands the position of the Company's auditor that they could not evaluate (i) the reasonableness of the likelihood of success, and the timing and amount of the proposed share placement (the "Potential Placement"); (ii) the financial viability of the lenders in providing the borrowings of approximately HK$15 million to the Group; and (iii) the financial viability of the shareholders in providing the undertakings (the "Undertakings"), pursuant to which they will not demand the repayment of the shareholders' loans amounting to HK$11 million (the "Shareholders' Loans") from the Group before 31 December 2027.

However, the management is of the view that

(i) in respect of the Potential Placement, with the completion of the subscriptions of new shares by the Company in April and May 2026 and the latest negotiation between the management and the potential investors on the Potential Placement, the Company is optimistic that the Potential Placement would materialise;

(ii) in respect of other borrowings, the Group had successfully secured approximately HK$4.5 million in other borrowings as at 30 June 2026. Given the current progress of the financing and the ongoing communication with the lenders, management is optimistic that the remaining financing arrangement will be available as planned; and

(iii) in respect of the Shareholders' Loans, the Company is of the view that it is not practicable for the Company or the management to obtain further documents from its shareholders regarding their personal wealth and/or financial position. However, as the relevant shareholders had continued to provide financial support to the Group as and when necessary in the past, the management has no reason to believe that they are not capable of fulfilling the Undertakings.

Taking into account of the above, the management considers that the Company will have sufficient cashflow to meet its financial obligations for the next 12 months as and when required. Accordingly, the management considers that the use of going concern basis for the preparation of the consolidated financial statements for the year ended 31 March 2026 is appropriate.

Audit committee's view on the management's position

The Audit Committee has discussed the disclaimer of opinion with the management and the directors, and agreed with their position and basis (including the matters involving their substantial judgements). In particular, on the basis that (i) the Potential Placement is expected to materialise, with the completion of the subscriptions of new shares by the Company in April and May 2026, and the latest negotiation between the management and the potential investors on the Potential Placement; (ii) other borrowings of approximately HK$15 million is expected to be obtained by the Group, with approximately HK$4.5 million being successfully secured as of 30 June 2026; (iii) the relevant shareholders provided the Undertakings in writing for which the management has no reason to believe that they are not capable of honoring their Undertakings and not demanding the Group to repay the Shareholders' Loans before 31 December 2027; and (iv) the cashflow forecast of the Group for the 15 months demonstrates that the Group would have sufficient cash flows to meet its financial obligations as and when they fall due.

Taking into account of the factors above, the Audit Committee agreed with the management's view that the Group will have sufficient cash flows to meet its financial obligations as and when they fall due, and it is appropriate for the Company to prepare its consolidated financial statements on a going concern basis.

Review of prior year action plan, and reasons for material deviations and repeated modifications

As disclosed in the prior year's annual report, the Group proposed an action plan to raise net proceeds of not less than HK$80 million through share placements. Subsequent to the publication of the prior year's annual report, the Group actively executed multiple share placements (including completion of share placings and subscriptions in September 2025 and December 2025), successfully raising aggregate net proceeds of approximately HK$42 million. Shareholders also strictly honored their undertakings that no repayment was demanded up to date of this annual report, with updated undertakings extended to 31 December 2027. In addition, management has engaged legal counsel to manage enforcement processes regarding the Chongqing Arbitration, successfully applied an injunction order to the court on the winding-up petitions, and actively explored settlement options while managing working capital.

However, the volatility in the global capital markets and the fluctuations in the Company's share prices adversely impacted investor sentiment and placing valuations. Both the Company and potential investors adopted a more cautious approach, extending negotiation timelines. Consequently, the Company was only able to raise approximately HK$42 million in aggregate during the financial year ended 31 March 2026, which represented approximately 52.5% of the original target.

Although approximately HK$42 million has been raised during the year ended 31 March 2026, it was still below the original target of HK$80 million. Also, the rapid deployment and ramp-up of the new "e-Mobility Solutions" business required continuous working capital, with liabilities including the judgment amount related to the Chongqing Arbitration remaining outstanding. Consequently, the Group remained in a net current liability position of HK$60.6 million as at 31 March 2026.

Furthermore, the auditor continued to face the same scope limitation in the current year, particularly the inability to obtain sufficient appropriate audit evidence to evaluate the reasonableness of the likelihood, timing and amount of the share placements, and the financial viability of the lenders and shareholders providing financial support. As the Company's going concern assessment continues to rely on future fundraising and shareholders' support, the auditor was unable to conclude on the appropriateness of the going concern basis and expressed a disclaimer of opinion on the consolidated financial statements for the year ended 31 March 2026.

Key plans and measures

To resolve the audit modifications in the coming financial year, the Group is implementing the following action plan:

(i) as disclosed in Note 3(b) of the consolidated financial statement, the Company intended to conduct the Potential Placing to raise approximately HK$66 million. While the full amount has not yet been secured as at the date of this annual report, the management is in advanced negotiation with a potential investor for a potential fundraising which is expected to be concluded in the near future, while systematically pursuing placing opportunities to raise the remaining tranches before October 2026;

(ii) the Company has secured borrowings of approximately HK$4.5 million, with remaining portions expected to be finalized in the near future. Currently, the management is in advanced negotiation for further borrowings of approximately HK$6 million;

(iii) Shareholders (Entrust Limited and Faith Profit Holding Limited) have executed undertakings not to demand repayment of shareholder loans of approximately HK$11 million before 31 December 2027; and

(iv) Management continues to manage the enforcement process through the PRC legal counsel and allocate cash flows systematically to fulfill payment obligations.

The Group will continue in executing the outlined plans and measures to mitigate liquidity pressures and enhance its cash flows.

CORPORATE GOVERNANCE FUNCTIONS

The specific written terms of reference of the corporate governance functions is available on the Company's website.

The Board is responsible for, among others, performing the corporate governance duties set out in the code provision A.2.1 of the Code, which include:

- to develop and review the Group's policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of the directors and senior management;
- to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to the directors and employees; and
- to review the Group's compliance with the Code and disclosure in the corporate governance report.

DIVERSITY POLICY

Board Diversity Policy

The Board adopted the board diversity policy in compliance with the Code. The Company recognised and embraced the benefits of having a diverse board to the quality of its performance. The policy was adopted to ensure that a range of diversity perspectives continues to remain in the composition of the Board.

In determining the Board's composition, the Board considered a range of diversity elements and measurable objectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, terms of service and the independence requirements in the selection of independent non-executive director. The Nomination Committee then put forward the recommendation in respect of the above factors, where appropriate, to the Board for consideration and adoption. The final decision will be made according to the strengths of the candidate and its respective contributions to be made to the Board. The Nomination Committee ensures that the Board comprises members with mixed skills, knowledge and experience necessary for the Group's business development, strategies and operation.

Our Board has a balance of tenure, diversity and age, with an effective mix of experience and fresh perspective. According to Rule 13.92 of the Listing Rules, the Stock Exchange will not consider diversity to be achieved for a single gender board. As at the date of this report, the Board consists of two female directors, representing approximately 28.57% of the Board. The Board targets to maintain at least the current level of female representation. The Board will continue to seek opportunities to increase the proportion of female member over time as and when suitable candidates are identified. Having considered the business needs of the Company, the Nomination Committee considers that the current Board is sufficiently diversified in terms of its skills, gender, experience, knowledge and independence.

The Nomination Committee will monitor the implementation of the policy to ensure the effectiveness and will discuss any revisions that may be required, and recommend any such revisions to the Board for adoption. The Nomination Committee will review the Board Diversity Policy annually and disclose in the Corporate Governance Report on the Board's composition under diversified perspectives to achieve the objective on maintaining current regulatory requirements and good corporate governance practice.

Gender Diversity across Workforce

At workforce level, the Group aims to create an inclusive and safe working environment where everyone is treated equally and free from discrimination and gender bias. All employees are entitled to have equal opportunity in recruitment, career development, promotion, benefits and training. As at 31 March 2026, the ratio of men to women in the workforce (including senior management) of the Group was 32:27. The Group will actively promote corporate principles and values which include equal opportunity for men and women, and to reduce the reliance on male workers through implementing different measures, such as provision of additional machinery and equipment as well as optimisation of the work process and thereby enhance gender diversity.

DIVIDEND POLICY

The Company adopted a dividend policy on 8 May 2019 to set out standard rules and guidelines to be followed by the Board in considering whether to recommend dividend. The policy sets out the consideration factors for recommendation and declaration of dividend payment, such as the Group's business and financial performance, working capital requirements, capital expenditure and future development plans, retained earnings and distributable reserves of the Group and other factors that the Board deems relevant. The payment of the dividend is also subject to shareholders' approval and compliance with applicable laws and regulations including the laws of Bermuda and the Bye-Laws of the Company.

The dividend policy does not constitute a binding commitment by the Company on its future dividend and shall not obligate the Company to declare dividend at any time or from time to time, but only represents a general rules and reference purpose regarding the dividend policy. The Board will review the policy and reserve the right to amend the said policy from time to time.

AUDITORS' REMUNERATION AND AUDITOR RELATED MATTERS

The statement of the Company's auditors BDO Limited, regarding their report responsibilities is set out in the "INDEPENDENT AUDITOR'S REPORT" on pages 54 to 55 of this report.

During the year ended 31 March 2026, remuneration paid/payable to the Company's external auditor for the audit service in relation to the audit of the consolidated financial statements for the year ended 31 March 2026 and the non-audit service in relation to the agreed-upon procedures on the preliminary announcement of annual results of the Group for the year ended 31 March 2026 was HK$1,140,000 (2025: HK$920,000) and HK$10,000 (2025: HK$nil) respectively. The Audit Committee considered that the non-audit service has no adverse effect on the independence of the auditor.

COMPANY SECRETARY

Mr. Leung Wai Chun was appointed as the Company Secretary of the Company on 15 May 2023.

Mr. Leung Wai Chun, age 61, joined the Group since 2001 and is presently the Chief Financial Officer and the Company Secretary of the Company. He held a MBA degree from The California State University of USA and a bachelor's degree majoring in Accountancy from The University of Southern Queensland of Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. He has over 30 years of experience in accounting, finance management, investment and corporate related matters.

The Company Secretary is responsible for advising the Board on governance matters and also facilitates induction and professional development of the directors. The Company Secretary reports to the Chairman of the Board. All directors have access to the advice and services of the Company Secretary. The Company Secretary has day-to-day knowledge of the Company's affairs and is also responsible for ensuring the procedures of the Board meetings are observed. During the reporting period, the Company Secretary had undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board acknowledges its overall responsibility for maintaining an effective and consistent internal control system and risk management policy of the Company. In respect of the year ended 31 March 2026, the Board considered the internal control systems and risk management are effective and adequate. No significant areas of concern that may affect the financial, operational, compliance controls, and risk management functions of the Group has been identified. The systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives. They can only provide reasonable, and not absolute, assurance against material misstatement or loss. During the review, the Board also considered the resources, qualification/experience of staff of the Group's internal control, accounting and financial reporting function, and their training and budget were adequate.

The framework of the control is as follows:

The Board	• take any necessary and appropriate action to maintain an adequate internal control system to safeguard shareholders' investments and the Company's assets; • maintain proper accounting records and to ensure the reliability of financial information used for business operations and publication; • determine the nature of risk that the Company is willing to take in achieving the Company's objective; and • delegate the responsibility to the Audit Committee to review and oversee the effectiveness of the internal control systems and risk management of the Company.
Audit Committee	• review and oversee the effectiveness of the risk management and internal control systems of the Group; • discuss with the internal auditor on the major findings and review the internal audit report; and • review and discuss with the management of the Company to ensure that they take the responsibility on the design, implementation and monitoring the system and internal control.
Internal auditor	• prepare its yearly audit plan which is reviewed and approved by the Audit Committee; • discuss the major findings in respect of internal audit services with the Audit Committee and provide recommendations to improve the risk management and internal control system of the Group; and • deliver to the Audit Committee the internal audit reports regarding the main risk areas in relation to the internal audit plan.
The management of the Company	• design, implement and execute the system and internal control effectively; and • monitor the risks and supervise the day-to-day operations.

The Board, through the Audit Committee and internal auditor, has conducted an annual review of the effectiveness of the risk management and internal controls systems (including financial, operational and compliance controls) and was satisfied that the Company's internal control processes are adequate to meet the needs of the Company in its current business environment. The adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting, internal audit and financial reporting functions have been reviewed and are considered to be adequate. The Board also reviewed the profile of the significant risks and how these risks have been identified, evaluated and managed, the changes since the last annual review, in the extent of significant risks, and the Group's ability to respond to changes in its business and the external environment. The Company also incorporated the recommendations from the internal auditor to maintain an effective and adequate risk management and internal control systems of the Company.

INTERNAL AUDIT FUNCTION

To comply with the Code in relation to the establishment of internal audit function, the Company engaged and reappointed Richard Poon & Partners Risk Management Limited as an internal auditor of the Company in relation to the provision of internal audit services to the Company throughout the year ended 31 March 2026. The internal audit function monitors compliance with policies and standards and the effectiveness of internal control structures of the Group.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

The Company is committed to maintain environmental and social standard to ensure business development and sustainability. We take steps to reduce the consumption of energy and promote green office policies e.g. advocate paperless office to reduce the consumption of paper, using internal communication in the form of direct electronic mail or other electronic device, turn off computers, printers and lighting immediately after use, and use environmentally friendly products and certified materials whenever possible.

Discussion on the Group's environmental policies and social performance is provided in the "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2026" which is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.evdynamics.com.

INSIDE INFORMATION

There are internal procedures for the handling and dissemination of inside information, which has set out the procedures of identification, report and disclosure of inside information to ensure that the Company is able to disclose inside information properly and to ensure the information is kept confidential before such information is approved appropriately. Directors and management of the Company are responsible to take all reasonable measures to ensure that proper safeguards are in place to prevent the Company from breaching the statutory disclosure requirement.

WHISTLEBLOWING POLICY

Employees at all levels are expected to achieve the highest standards of openness, probity and accountability. A whistleblowing policy and system have been implemented and set up for employees and those who deal with the Group (e.g. customers and suppliers) to raise concerns, in confidential and anonymity, about any suspected misconduct or malpractice within the Group.

ANTI-CORRUPTION POLICY

The Company has established policies and system that promote and support anti-corruption laws and regulations. Detailed discussion on anti-corruption is set out in the "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2026".

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Board recognises the importance of maintaining clear, timely and effective communication with shareholders of the Company and investors. The Board also recognises that effective communication with investors is the key to establish investor confidence and to attract new investors.

The Company supports the Code's principle to encourage Shareholders' participation. The Company has also complied with the requirements concerning voting by poll under the Listing Rules.

The Company is committed to providing the shareholders of the Company with balanced and understandable information about the Company and has adopted a shareholders' communication policy, the summary of which is set out below:

1. corporate communication is published on the Stock Exchange's website and the Company's own website in a timely manner as required by the Listing Rules;

2. the Company shall publish announcements (on inside information, corporate actions and transactions, etc.) and other documents (e.g. memorandum of association and bye-laws) on the Stock Exchange's website in a timely manner in accordance with the Listing Rules;

3. any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website (www.evdynamics.com);

4. the annual general meeting and other general meetings of the Company are primary forum for communication between the Company and its shareholders where the shareholders are provided with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable the shareholders to make an informed decision on the proposed resolution(s);

5. the shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings;

6. where appropriate or required, the chairman of the Board and other Board members, the chairmen of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer the shareholders' questions (if any); and

7. written enquiries (such as by mail to the Company's head office in Hong Kong) from the shareholders about corporate governance or other matters to be put to the Board and the Company will be dealt with by the Board.

The Board conducted review of the implementation and effectiveness of the communication policy for shareholders. Having considered the multiple channels of communication in place, the Board is of the view that the shareholders' communication policy has been properly implemented for the year ended 31 March 2026 and is effective.

SHAREHOLDERS' RIGHTS

Procedure for shareholders to convene a Special General Meeting (the "SGM")

Pursuant to the Bye-Laws of the Company, SGM can be convened on requisition by shareholders. Also, the Companies Act provides that shareholders, as at the date of deposit of the requisition, hold not less than one-tenth (10%) of the issued capital of the Company and carry the right of voting at general meeting, can request the directors to convene a SGM.

The shareholders must state the purpose of the meeting and the requisition must be deposited at the registered office of the Company. If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Shareholders' enquiries

Shareholders should direct questions about their shareholdings to the Company's Hong Kong branch share registrar. They can also make enquiry to the Board for any publicly available company information. They can, by stating the nature and reason in written form, make enquiry to the Board provided it has been duly served to the attention of the Board at the head office. The contact details are set out in the "CORPORATE INFORMATION" on page 2 of this annual report.

Procedure for making proposals at general meeting

Shareholders may put forward written proposals for consideration at a general meeting by submitting their proposals to the Board at the head office of the Company at least 60 days before the relevant general meeting. The proposal should be in the form of a proposed resolution and should comply with the following criteria:

(i) to be clearly and concisely set out the proposal for discussion;

(ii) to be in accordance with the Company's Memorandum of Association and Bye-Laws, all applicable laws and regulations and the Listing Rules;

(iii) to be relevant to the Company's business scope and comply with all relevant requirements of a general meeting; and

(iv) in the event that the proposed business includes a proposal to amend the Bye-Laws of the Company, the proposed resolution should be in complete text and supported by, including but not limited to the following:

- the class and total number of shares beneficially owned by the individual shareholders of the group of shareholders making the proposal;
- the reasons for the proposed resolution;
- any interest in or anticipated benefit to the proposing shareholder or its associate; and
- the benefits or disadvantage, if any, that the proposer suggests.

PROCEDURE FOR PROPOSING A PERSON FOR ELECTION AS A DIRECTOR

The procedure for proposing a person for election as a director was made available on the Company's website.

CONSTITUTIONAL DOCUMENTS

There was no change to the Company's Memorandum of Association and the Bye-Laws during the reporting period and they are available on the websites of the Company and the Stock Exchange.

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TO THE SHAREHOLDERS OF EV DYNAMICS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Ev Dynamics (Holdings) Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 56 to 132, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Scope limitation relating to the appropriateness of the going concern assumption

As set out in Note 3(b) to the consolidated financial statements, the Group incurred a loss of HK$293,113,000 for the year ended 31 March 2026, and as of that date, the Group had net current liabilities of HK$60,588,000. As disclosed in Note 46(b) to the consolidated financial statements, pursuant to the court judgement dated 16 May 2025, the Group is required to refund the consideration received of RMB34 million in relation to the proposed disposal of the entire equity interests in a group of subsidiaries and pay the relevant liquidation damages of RMB5.5 million to the purchaser. As at 31 March 2026, the remaining outstanding amount was approximately HK$42 million.

When assessing the appropriateness of the use of the going concern basis for the preparation of the consolidated financial statements, the directors of the Company have prepared a cash flow forecast covering a period of fifteen months from the end of the reporting period. Certain plans and measures have been taken by the Group to improve its liquidity and financial position, as detailed in Note 3(b) to the consolidated financial statements. Based on the directors' assessment, the Group is able to continue as a going concern and it is appropriate to prepare the consolidated financial statements on a going concern basis.

The appropriateness of the consolidated financial statements prepared on a going concern basis largely depends on whether the plans and measures as detailed in Note 3(b) can be successfully implemented as scheduled. In relation to the expected net proceeds from the proposed placement of new shares, management did not provide us with the details regarding the potential investors, the intended placing price and size that enable us to evaluate the reasonableness of the likelihood, timing and amount of the share placements. In addition, there was no sufficient information available from management that enables us to evaluate the financial viability of the lenders and shareholders such that they are able to provide other borrowings of approximately HK$15 million and the undertaking of not demanding the Group to repay HK$11 million due to them earlier than 31 December 2027, respectively.

Due to the limitations on our scope of work as stated above and there are no alternative audit procedures that we can perform to obtain sufficient appropriate audit evidence to support the above plan and measures can be successfully implemented, as a result, we were unable to obtain sufficient appropriate evidence to conclude whether the directors' use of going concern basis of accounting to prepare the consolidated financial statements is appropriate.

Should the Group fail to achieve the above plans and measures as abovementioned, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their net realisable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

However, because of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), as applicable to audits of financial statements of public interest entities. We have fulfilled our other ethical responsibilities in accordance with the Code.

BDO Limited
Certified Public Accountants

Pak, Tak Lun, Amos
Practising Certificate Number: P06170

Hong Kong, 30 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Notes	**2026** **HK$'000**	2025 HK$'000
Revenue	7(a)	**41,098**	3,012
Cost of sales		**(25,673)**	(4,982)
Gross profit/(loss)		**15,425**	(1,970)
Other income	7(b)	**3,177**	1,465
Selling and distribution expenses		**(80)**	(431)
Administrative expenses		**(34,882)**	(39,889)
Impairment of mining assets	11	**(266,981)**	(284,752)
Impairment of trade receivables, net	11	**(5,628)**	(7,584)
Reversal of impairment of contract assets	11	**–**	516
Write-off construction in progress	11	**(1,758)**	-
Write-off of other receivables and prepayments	11	**(352)**	(16,360)
Change in fair value of financial assets at fair value through profit or loss ("FVTPL")	42	**–**	(10,295)
Realised loss on disposal of financial assets at FVTPL		**–**	(11,600)
Loss on disposal of subsidiaries	44	**(1,415)**	(2,674)
Loss on dissolution of a subsidiary		**–**	(58)
Finance costs	8	**(742)**	(397)
Loss before income tax	11	**(293,236)**	(374,029)
Income tax credit	12	**123**	121
Loss for the year		**(293,113)**	(373,908)
Other comprehensive income for the year			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising from:			
– translation of foreign operations		**46,582**	(9,966)
– reclassification relating to disposal and dissolution of subsidiaries		**–**	1,504
Other comprehensive income for the year		**46,582**	(8,462)
Total comprehensive income for the year		**(246,531)**	(382,370)

	Note	**2026 HK$'000**	2025 HK$'000
Loss attributable to:			
– Owners of the Company		**(291,999)**	(372,028)
– Non-controlling interests		**(1,114)**	(1,880)
		(293,113)	(373,908)
Total comprehensive income attributable to:			
– Owners of the Company		**(244,102)**	(380,518)
– Non-controlling interests		**(2,429)**	(1,852)
		(246,531)	(382,370)
Loss per share			
– Basic and diluted (HK$)	14	**(1.08)**	(1.93)

Consolidated Statement of Financial Position

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current assets			
Property, plant and equipment	15	**52,501**	27,175
Construction in progress	16	**28,537**	28,149
Right-of-use assets	17	**25,871**	13,654
Mining assets	19	**619,360**	845,000
Other intangible assets	20	**–**	1,778
Prepayments	24	**12,014**	11,343
Total non-current assets		**738,283**	927,099
Current assets			
Inventories	22	**10,585**	13,708
Trade receivables	23	**4,241**	5,814
Contract assets	27	**209**	197
Other receivables, deposits and prepayments	24	**36,965**	21,765
Cash and bank balances		**2,125**	8,404
Total current assets		**54,125**	49,888
Total assets		**792,408**	976,987
Current liabilities			
Accounts payable	25	**8,186**	5,672
Other payables and accruals	26	**79,250**	72,877
Contract liabilities	27	**6,936**	27,841
Loans from shareholders	31	**11,106**	11,577
Other borrowings	28	**5,395**	–
Lease liabilities	29	**3,840**	2,281
Total current liabilities		**114,713**	120,248
Net current liabilities		**(60,588)**	(70,360)
Total assets less current liabilities		**677,695**	856,739

	Notes	2026 HK$'000	2025 HK$'000
Non-current liabilities			
Deferred tax liabilities	30	**4,111**	4,002
Lease liabilities	29	**9,282**	–
Convertible notes	32	**–**	4,810
Other borrowings	28	**8,028**	–
Total non-current liabilities		**21,421**	8,812
Total liabilities		**136,134**	129,060
NET ASSETS		**656,274**	847,927
Equity			
Share capital	33	**15,848**	9,998
Reserves		**667,498**	862,620
Equity attributable to owners of the Company		**683,346**	872,618
Non-controlling interests	36	**(27,072)**	(24,691)
TOTAL EQUITY		**656,274**	847,927

On behalf of the Board

Chan Hoi Ying
Director

Zeng Yan
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

	Attributable to owners of the Company										
	Share capital HK$'000 (Note 33)	Share premium HK$'000 (Note 35(a))	Con-tributed surplus HK$'000 (Note 35(b))	Convertible notes equity reserve HK$'000 (Notes 32 and 35(f))	Share options reserve HK$'000 (Note 35(c))	Foreign currency translation reserve HK$'000 (Note 35(d))	Capital reserve HK$'000 (Note 35(e))	Accumulated losses HK$'000	Total HK$'000	Non-controlling interests HK$'000 (Note 36)	Total equity HK$'000
At 1 April 2024	92,796	3,970,029	20,566	–	80,421	(354,085)	(12,479)	(2,551,035)	1,246,213	(29,914)	1,216,299
Loss for the year	–	–	–	–	–	–	–	(372,028)	(372,028)	(1,880)	(373,908)
Other comprehensive income:											
– Exchange difference arising from translation of foreign operations	–	–	–	–	–	(9,994)	–	–	(9,994)	28	(9,966)
– Reclassification relating to disposal and dissolution of subsidiaries	–	–	–	–	–	1,504	–	–	1,504	–	1,504
Total comprehensive income	–	–	–	–	–	(8,490)	–	(372,028)	(380,518)	(1,852)	(382,370)
Issue of shares (Note 33(ii))	719	5,979	–	–	–	–	–	–	6,698	–	6,698
Settlement of the old Convertible Notes by shares purchased from open market	–	–	–	–	–	–	–	(99)	(99)	–	(99)
Issue of Convertible Notes (Note 32)	–	–	–	324	–	–	–	–	324	–	324
Lapsed share options	–	–	–	–	(7,753)	–	–	7,753	–	–	–
Forfeited share options	–	–	–	–	(21,286)	–	–	21,286	–	–	–
Capital Reorganisation (Note 33(i))	(83,517)	–	–	–	–	–	–	83,517	–	–	–
Disposal of subsidiaries	–	–	–	–	–	–	–	–	–	7,075	7,075
At 31 March 2025	9,998	3,976,008	20,566	324	51,382	(362,575)	(12,479)	(2,810,606)	872,618	(24,691)	847,927
At 1 April 2025	**9,998**	**3,976,008**	**20,566**	**324**	**51,382**	**(362,575)**	**(12,479)**	**(2,810,606)**	**872,618**	**(24,691)**	**847,927**
Loss for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(291,999)**	**(291,999)**	**(1,114)**	**(293,113)**
Other comprehensive income:											
– Exchange difference arising from translation of foreign operations	**–**	**–**	**–**	**–**	**–**	**47,897**	**–**	**–**	**47,897**	**(1,315)**	**46,582**
Total comprehensive income	**–**	**–**	**–**	**–**	**–**	**47,897**	**–**	**(291,999)**	**(244,102)**	**(2,429)**	**(246,531)**
Conversion of convertible notes (Note 32 and 33(vi))	**500**	**4,663**	**–**	**(324)**	**–**	**–**	**–**	**–**	**4,839**	**–**	**4,839**
Placing of shares (Note 33(iv)(vii))	**2,350**	**20,865**	**–**	**–**	**–**	**–**	**–**	**–**	**23,215**	**–**	**23,215**
Subscription of shares (Note 33(v))	**3,000**	**23,824**	**–**	**–**	**–**	**–**	**–**	**–**	**26,824**	**–**	**26,824**
Lapsed share options	**–**	**–**	**–**	**–**	**(1,047)**	**–**	**–**	**1,047**	**–**	**–**	**–**
Forfeited share options	**–**	**–**	**–**	**–**	**(34,753)**	**–**	**–**	**34,753**	**–**	**–**	**–**
Acquisition of additional interests in a non-wholly owned subsidiary	**–**	**–**	**–**	**–**	**.**	**–**	**–**	**(4)**	**(4)**	**4**	**–**
Disposal of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(44)**	**(44)**	**44**	**–**
At 31 March 2026	**15,848**	**4,025,360**	**20,566**	**–**	**15,582**	**(314,678)**	**(12,479)**	**(3,066,853)**	**683,346**	**(27,072)**	**656,274**

	Notes	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES			
Loss before income tax		**(293,236)**	(374,029)
Adjustments for:			
Interest income	7	**(267)**	(416)
Finance costs	8	**742**	397
Depreciation of property, plant and equipment	11	**3,566**	2,786
Depreciation of right-of-use assets	11	**2,663**	1,997
Amortisation of other intangible assets	11	**1,822**	1,838
Change in fair value of financial assets at FVTPL		**–**	10,295
Realised loss on disposal of financial assets at FVTPL		**–**	11,600
Gain on disposal of property, plant and equipment	7	**–**	(93)
Loss on write-off of property, plant and equipment	11	**–**	18
Loss on disposal of subsidiaries	44	**1,415**	2,674
Loss on dissolution of a subsidiary		**–**	58
Forfeiture revenue on customer deposit received	7 & 43(b)	**(16,422)**	–
Gain on lease termination	7	**–**	(68)
Write-down of inventories	11	**2,646**	2,055
Impairment of mining assets	11	**266,981**	284,752
Write-off of construction in progress	11	**1,758**	–
Impairment of trade receivables, net	11	**5,628**	7,584
Reversal of impairment of contract assets	11	**–**	(516)
Write-off of other receivables and prepayments, net	11	**352**	16,360
Operating cash flows before movements in working capital		**(22,352)**	(32,708)
Decrease in inventories		**1,161**	639
(Increase)/decrease in trade receivables		**(4,055)**	565
Increase in contract assets		**–**	12,809
(Increase)/decrease in other receivables, deposits and prepayments		**(15,623)**	1,204
Increase/(decrease) in accounts payable		**1,746**	(1,302)
Increase in other payables and accruals		**1,086**	11,123
(Decrease)/increase in contract liabilities	27 & 43(b)	**(4,391)**	106
NET CASH USED IN OPERATING ACTIVITIES		**(42,428)**	(7,564)

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(7,269)**	–
Additions to construction in progress		**(522)**	(1,744)
Proceeds from disposal of property, plant and equipment		**–**	107
Net cash outflow from disposal of subsidiaries	44	**(9)**	(11)
Interest received	7	**267**	416
NET CASH USED IN FROM INVESTING ACTIVITIES		**(7,533)**	(1,232)
FINANCING ACTIVITIES			
Proceeds from issue of shares	33	**50,700**	6,833
Payment of issue expenses		**(661)**	(135)
Interest paid on lease liabilities	43(a)	**(334)**	(111)
Interest paid on bank borrowing	43(a)	**–**	(29)
Interest paid on other borrowing	43(a)	**(239)**	(123)
Interest paid on convertible notes	43(a)	**(140)**	–
Purchase of own shares for settlement of the old convertible notes		**–**	(99)
Proceeds from issue of convertible notes	32	**–**	5,000
Repayment of principal portion of lease liabilities	43(a)	**(3,293)**	(2,022)
Proceeds from loans from shareholders	43(a)	**–**	135
Repayment of loans from shareholders	43(a)	**(495)**	(831)
Repayment of other borrowings	43(a)	**(2,173)**	–
Repayment of bank borrowing	43(a)	**–**	(4,741)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**43,365**	3,877
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(6,596)**	(4,919)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**8,404**	13,901
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		**317**	(578)
CASH AND CASH EQUIVALENTS AT END OF YEAR		**2,125**	8,404
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		**2,125**	8,404

1. CORPORATE INFORMATION

The Company was incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company's registered office is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. Its head office and principal place of business are located at 46th Floor, United Asia Finance Centre, 333 Lockhart Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in Note 18.

2. CHANGES IN ACCOUNTING POLICIES

(a) New standards, interpretation and amendments – effective 1 April 2025

The Group has adopted amendments to HKAS 21 Lack of Exchangeability for the first time for the current year's financial statements.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

The Group has not early applied any new or amendments to HKFRS Accounting Standards that is not yet effective for the current accounting period.

(b) New standards, interpretations and amendments that have been issued but are not yet effective

The following new or amendments to HKFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurements of Financial Instruments[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 21	Transition to Hyperinflationary Presentation Currency[2]
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11[1]
Amendments to HK Interpretation 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[2]

[1] Effective for annual periods beginning on or after 1 January 2026
[2] Effective for annual periods beginning on or after 1 January 2027
[3] Effective for annual periods beginning on or after a date to be determined

2. CHANGES IN ACCOUNTING POLICIES (Continued)

(b) New standards, interpretations and amendments that have been issued but are not yet effective (Continued)

The Group is currently assessing the impact of these new and amendments to HKFRS Accounting Standards. Based on a preliminary assessment, except for the below, these new and amendments to HKFRS Accounting Standards are not expected to have any significant impact on the Group's financial statements.

HKFRS 18, Presentation and Disclosure in Financial Statements

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

3. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations (hereinafter collectively referred to as the "HKFRS Accounting Standards") issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, these consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

(b) Basis of measurement and going concern assumption

These consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values.

The Group incurred a loss of HK$293,113,000 for the year ended 31 March 2026. As of that date, the Group had net current liabilities of HK$60,588,000. As disclosed in Note 46(b) to the consolidated financial statements, pursuant to the court judgement dated 16 May 2025, the Group is required to refund the consideration received of RMB34 million in relation to the proposed disposal of the entire equity interests in a group of subsidiaries and pay the relevant liquidation damages of RMB5.5 million to the purchaser. As at 31 March 2026, the remaining outstanding amount was approximately HK$42 million. These conditions may cast significant doubt on the Group's ability to continue as a going concern.

3. BASIS OF PREPARATION (Continued)

(b) Basis of measurement and going concern assumption (Continued)

When assessing the appropriateness of the use of the going concern basis for the preparation of the consolidated financial statements, the directors of the Company has prepared a cash flow forecast that covers fifteen months from the end of the reporting period for the purpose of assessing the Group's ability to continue as a going concern. In preparing the cash flow forecast, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing and also have taken account of the following plans and measures:

(i) net proceeds of not less than HK$66 million from placements of new shares and approximately HK$15 million of loan borrowings from corporates which are expected to be completed before the end of October 2026;

(ii) the shareholders of the Company will not demand repayment of the loans owed by the Group to them with aggregate carrying value of approximately HK$11 million as at 31 March 2026 earlier than 31 December 2027; and

(iii) the Group continues to develop its new energy transport and operations segment to improve its cash flow from operations.

Based on the above plans and measures, the directors of the Company are of the view that the Group will have adequate resources to continue in operational existence and meet its financial obligations as and when they fall due over the period of the cash flow forecast. Accordingly, it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, the validity of the going concern assumption depends of the successful outcome of the Group's plans and measures, including:

– the success of obtaining additional new sources of funding from placements and loan borrowings to support its operations and settlement of refunds of the remaining HK$42 million as determined by the court judgement during the year; and

– the shareholders' ability to provide financial support to the Group in terms of not demanding repayment of the loans owed by the Group.

These indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and discharges its liabilities in the normal course of business.

Should the Group fail to achieve the plans and measures as mentioned above, it might not be able to continue to operate as a going concern, and adjustments would have to be made in the consolidated financial statements to write down the carrying values of the Group's assets to their net realisable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of such adjustments has not yet been reflected in the consolidated financial statements.

3. BASIS OF PREPARATION (Continued)

(c) Functional and presentation currency

These consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

4. ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

Non-controlling interests in subsidiaries are identified separately from the Group's equity and are initially measured at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control of the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

4. ACCOUNTING POLICIES (Continued)

(b) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(c) Leasing – The Group as lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling prices basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging on operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease, then the Group classifies the sub-lease as an operating lease.

(d) Property, plant and equipment and construction in progress

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is recognised in profit or loss in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost thereof.

4. ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment and construction in progress (Continued)

Depreciation is charged so as to write off the cost of items of property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period. The expected useful lives of property, plant and equipment are as follows:

Leasehold improvements	Shorter of the related lease terms or 3 to 10 years
Plant and machinery	5 to 15 years
Furniture, fixtures, equipment and motor vehicles	3 to 5 years

Construction in progress represents properties under construction for production or administrative purposes, which is stated at cost less any impairment loss and is not depreciated. Cost comprises the direct costs of construction, related professional fees, capitalised depreciation of machinery used for construction and capitalised borrowing costs on related borrowed funds. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sale proceeds and the carrying amount of the relevant assets and is recognised in profit or loss.

(e) Intangible assets (other than goodwill)

Technical know-how and industrial proprietary rights are stated at cost less accumulated amortisation and any impairment losses (Note 4(g)). Technical know-how is amortised on the straight-line basis over a period of 5 years. Industrial proprietary rights are amortised on the straight-line basis over a period of 5 to 10 years. They are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period.

(f) Mining assets

Mining assets are stated at cost less accumulated amortisation and any impairment losses (Note 4(g)). Mining assets are amortised over the estimated useful lives of the mines based on the proven and probable reserves of the mines using the units of production method.

(g) Impairment of tangible and intangible assets (other than financial assets)

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, construction in progress, right-of-use assets, investment in subsidiaries, mining assets and other intangible assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset (or a cash generating unit ("CGU")) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

4. ACCOUNTING POLICIES (Continued)

(g) Impairment of tangible and intangible assets (other than financial assets) (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for that asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Value in use is based on the estimated future cash flows expected to be derived from the asset (or CGU), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or CGU).

(h) Financial instruments

(i) Financial assets

Trade receivables are initially recognised when they are originated. All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. All other financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Debt instruments

Amortised cost — Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity instruments

FVTPL — All equity instruments are classified as FVTPL, whereby changes in fair value, dividends are recognised in profit or loss.

4. ACCOUNTING POLICIES (Continued)

(h) Financial instruments (Continued)

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables and other financial assets measured at amortised cost.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has measured loss allowances for trade receivables that do not contain a significant financing component using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. For trade receivables that are not assessed for ECL individually, the Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual or a collective basis.

The Group considers a financial asset to be credit-impaired when there is significant financial difficulty of the debtor, a breach of contract, restructuring of a loan or advance, or it is probable that the debtor will enter bankruptcy etc.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

4. ACCOUNTING POLICIES (Continued)

(h) Financial instruments (Continued)

(iii) Financial liabilities

Financial liabilities including accounts and other payables, other borrowings and loans from shareholders are initially measured at fair value, net of directly attributable costs incurred. They are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in accordance with the accounting policy for borrowing costs.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(v) Derecognition

The Group generally derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expires.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(vi) Convertible notes

The component of convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible notes, the fair value of the liability component is determined using a market rate for an equivalent non-convertible notes; and this amount is carried as a financial liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in convertible notes equity reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible notes based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

4. ACCOUNTING POLICIES (Continued)

(j) Leasing – The Group as lessee

All leases are capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities except for (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The lease payments associated with those leases have been expensed on a straight-line basis over the lease term.

Right-of-use asset

The right-of-use asset is recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-of-use assets at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Sale and leaseback

For sale and leaseback transactions, the Group considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale. The Group applies HKFRS 15 "Revenue from Contracts with Customers" to determine whether a sale has taken place.

When the transfer to buyer-lessor is a sale, the Group derecognise the underlying asset and applies the lessee accounting model to the leaseback – the Group measures the right-of-use asset at the retained portion of the previous carrying amount (i.e. at cost), and recognises only the amount of any gain or loss related to the rights transferred to the lessor. When the transfer to buyer-lessor is not a sale, the Group continues to recognise the underlying asset, and recognises a financial liability for any amount received from the buyer-lessor.

4. ACCOUNTING POLICIES (Continued)

(k) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of resources embodying economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of resources embodying economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefits is remote.

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and appropriate portion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

(m) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax is recognised in profit or loss except when it relates to items recognised in other comprehensive income, in which case the income tax is recognised in other comprehensive income.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary difference.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4. ACCOUNTING POLICIES (Continued)

(n) Foreign currencies

The individual financial statements of each group entity are presented in their functional currency. For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Hong Kong dollars which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of that entity (the "foreign currencies") are recorded in its functional currency at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the settlement and translation of monetary items are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operation are expressed in Hong Kong dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

(o) Employees' benefits

(i) Short term benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

(ii) Employee benefits – Defined contribution schemes

The Group operates a Mandatory Provident Fund ("MPF") Scheme for its employees in Hong Kong. Contributions to the MPF Scheme are made based on rates applicable to the respective employees' relevant income from the Group and are charged to profit or loss as they become payable in accordance with government regulations. The Group's mandatory contributions are fully and immediately vested in favour of the employees. The assets of MPF Scheme are held separately from those of the Group in an independently administered fund.

Employees of the group entities operate in the People's Republic of China ("PRC") are required to participate in a central pension scheme operated by the local municipal government. These entities are required to contribute certain percentages of its payroll costs to the central pension scheme. The contributions are charged to profit or loss in the period in which they are incurred.

4. ACCOUNTING POLICIES (Continued)

(p) Equity-settled share-based payments

(i) Equity-settled share-based payment transactions

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees and other selected participants as consideration for equity instruments of the Group.

Share options scheme

The fair value of share options determined at the grant date is expensed over the vesting period, which is the period over which all of the specified non-market vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the share options reserve.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

(ii) Share-based payment transactions among group entities

The grant by the Company of share options, share award and other equity instruments to the employees of subsidiaries in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity in the parent's entity accounts.

(q) Revenue recognition

Revenue from contracts with customers

Sales of motor vehicles

The Group recognised the revenue from sales of motor vehicles at a point in time when the customer obtains control of the goods which is upon the delivery of the related goods to the customers. Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method.

For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

4. ACCOUNTING POLICIES (Continued)

(q) Revenue recognition (Continued)

Revenue from contracts with customers (Continued)

Provision of logistics services

The Group provides logistics services to customers by using of electric vehicles to deliver customers' products to their end consumers. Revenue from providing logistics services is recognised in the accounting period in which the services are rendered.

Revenue from contracts with customers primarily consists of the actual tonnage of product delivered based on weight and route distance.

Revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance. The Group applies an output method to measure the progress towards complete satisfaction of the performance obligation, based on the direct measurements of the value to the customer of the services transferred to date relative to the remaining services promised under the contract, that a faithful depict the Group's performance in transferring control of goods or services.

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group's performance completed to date, the Group recognises revenue in the amount to which the Group has the right to invoice.

Revenue from other sources

Rental income

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

Contract asset and contract liability

A contract asset represents the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due. Contract assets are transferred to trade receivables when the right to payment becomes unconditional. Impairment losses are recognised on the same basis as trade receivables.

A contract liability represents the Group's obligation to transfer goods and services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(r) Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Going concern

The assessment of the going concern assumption involves making a judgement by the Directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Directors consider that the Group has the capabilities to continue as going concerns and the major events and conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption and related mitigating measures taken by management are set out in Note 3(b).

Impairment of non-financial assets

As at the reporting date, the Group's non-financial assets (including property, plant and equipment, construction in progress, right-of-use assets, mining assets and other intangible assets) (the "Assets") are subject to impairment testing as impairment indicators existed. The recoverable amounts of the Assets or the CGUs to which the Assets belong are the higher of the value in use or fair value less costs of disposal. The estimations of the recoverable amounts of the Assets or the CGUs require the directors to estimate the future cash flows expected to arise from the Assets or the CGUs and suitable discount rates.

In determining the recoverable amount of the EV CGU (as defined in Note 20), the valuer has based its valuation on fair value less costs of disposal approach which involves unobservable market data to derive the fair values of the major non-current assets composing the EV CGU. In determining the recoverable amount of the mining assets, the valuer has based its valuation on the projected future cash flows of the mining business using the multi period excess earnings method. In relying on the valuations, management has exercised their judgement and is satisfied that the methods of valuation adopted are appropriate in determining the relevant recoverable amounts of the mining assets or the EV CGU and reflective of current market conditions.

Further information on the impairment assessments is provided in Note 19 and Note 20.

Impairment of financial assets measured at amortised cost and contract assets

Management estimates the amount of loss allowance for ECLs on financial assets that are measured at amortised cost and contract assets based on the credit risk of the respective financial asset and contract assets. The loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows after taking into consideration of expected future credit loss of the respective financial assets and contract assets. The assessment of the credit risk of the respective financial assets and contract assets involves high degree of estimation and uncertainty. When the actual future cash flows are different from expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly.

Further information on the impairment assessment on financial assets and contract assets is provided in Note 41.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Lease classification – Group as lessor

The Group has entered into commercial property leases on its motor vehicle portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property, that it retains substantially all the significant risk and rewards incidental to ownership of these properties which are leased out and accounts for the contracts as operating leases.

6. SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has the following reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies.

- Development and sales of electric vehicles;
- Mining; and
- New energy transport and operations

During the year ended 31 March 2026, the chief operating decision-maker reviewed the performance of the newly established new energy transport and operations segment, which is identified as a distinct operating segment. This segment comprises the Group's electric heavy-duty truck transportation services and operations, charging station operations, and related vehicle leasing activities.

During the year ended 31 March 2026, the chief operating decision-maker ceased to evaluate the metals and minerals trading segment as a separate reportable segment due to its dormant status over the past years. The results of this segment are now included within unallocated corporate expenses. The comparative information in this note has been represented during the year as if the segment were not a separate reportable segment at the beginning of the comparative period.

Inter-segment transactions are priced with reference to prices charged to external parties for similar orders. Corporate income and expenses are not allocated to the operating segments as they are not included in the measurement of the segments' results that are used by the chief operating decision-maker for assessment of segment performance.

6. SEGMENT REPORTING (Continued)

(a) Reportable segments

	Development and sales of electric vehicles		Mining		New energy transport and operations		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000 (Represented)
Revenue from external customers	**21,720**	3,012	**–**	–	**19,378**	–	**41,098**	3,012
Reportable segment profit/(loss)	**3,962**	(33,754)	**(269,806)**	(285,298)	**(6,825)**	–	**(272,669)**	(319,052)
Interest income	**266**	412	**–**	–	**1**	–	**267**	412
Unallocated interest income							**–**	4
Total interest income							**267**	416
Loss on disposal of subsidiaries	**(1,415)**	(2,674)	**–**	–	**–**	–	**(1,415)**	(2,674)
Loss on dissolution of a subsidiary	**–**	(58)	**–**	–	**–**	–	**–**	(58)
Depreciation	**(2,797)**	(3,005)	**–**	(53)	**(2,539)**	–	**(5,336)**	(3,058)
Unallocated depreciation expenses							**(893)**	(1,725)
Total depreciation							**(6,229)**	(4,783)
Amortisation	**(1,822)**	(1,838)	**–**	–	**–**	–	**(1,822)**	(1,838)

6. SEGMENT REPORTING (Continued)

(a) Reportable segments (Continued)

	Development and sales of electric vehicles		Mining		New energy transport and operations		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000 (Represented)
Impairment of trade receivables, net	**(5,628)**	(7,584)	**–**	–	**–**	–	**(5,628)**	(7,584)
Reversal of impairment of contract assets	**–**	516	**–**	–	**–**	–	**–**	516
Write-off construction in progress	**–**	–	**(1,758)**	–	**–**	–	**(1,758)**	–
Write-off of other receivables and prepayments, net	**–**	(16,360)	**–**	–	**(352)**	–	**(352)**	(16,360)
Write-down of inventories	**(2,646)**	(2,055)	**–**	–	**–**	–	**(2,646)**	(2,055)
Impairment of mining assets	**–**	–	**(266,981)**	(284,752)	**–**	–	**(266,981)**	(284,752)
Reportable segment assets	**83,188**	101,378	**646,147**	870,273	**60,942**	–	**790,277**	971,651
Additions to non-current assets	**–**	14	**–**	1,730	**40,775**	–	**40,775**	1,744
Reportable segment liabilities	**(72,993)**	(100,207)	**(7,162)**	(6,613)	**(39,543)**	–	**(119,698)**	(106,820)

6. SEGMENT REPORTING (Continued)

(b) Reconciliation of segment revenue, profit or loss, assets and liabilities

	2026	2025
	HK$'000	HK$'000
		(Represented)
Revenue		
Reportable segment revenue and consolidated revenue	**41,098**	3,012
Loss before income tax		
Reportable segment loss	**(272,669)**	(319,052)
Unallocated other income	**9**	409
Change in fair value and realised loss on disposal of financial assets at FVTPL	**–**	(21,895)
Unallocated other corporate expenses	**(19,834)**	(33,094)
Finance costs	**(742)**	(397)
Consolidated loss before income tax	**(293,236)**	(374,029)
Assets		
Reportable segment assets	**790,277**	971,651
Unallocated corporate assets *	**2,131**	5,336
Consolidated total assets	**792,408**	976,987
Liabilities		
Reportable segment liabilities	**119,698**	106,820
Unallocated corporate liabilities	**16,436**	22,240
Consolidated total liabilities	**136,134**	129,060

* Unallocated corporate assets as at 31 March 2026 mainly represent cash and bank balances of HK$58,000 (2025: HK$202,000) held by the Company and unallocated other receivables and prepayments of HK$1,898,000 (2025: HK$2,309,000).

6. SEGMENT REPORTING (Continued)

(c) Geographic information

The following is an analysis of the Group's revenue from external customers and non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets ("Specified non-current assets") by the geographical areas in which the customers and assets respectively are located:

	Revenue from external customers		Specified non-current assets	
	2026	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000
PRC, including Hong Kong	**24,676**	2,618	**738,283**	927,099
Mexico	**16,422**	–		
Philippines	**–**	276	**–**	–
Thailand	**–**	118	**–**	–
Total	**41,098**	3,012	**738,283**	927,099

(d) Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group is as follows:

	2026	2025
	HK$'000	HK$'000
Customer A#	**16,422**	N/A*
Customer B#	**13,956**	N/A*
Customer C#	**5,298**	N/A*
Customer D#	**N/A***	2,618

* Revenue from the customers did not contribute over 10% of the total revenue of the Group in the respective year.

\# Customers A and D are from development and sales of electric vehicles segment whereas customers B and C are from new energy transport and operations segment.

7. REVENUE AND OTHER INCOME

(a) Details on revenue of the Group for the year are as follows:

	2026 HK$'000	2025 HK$'000
Revenue from contract with customers:		
Disaggregated by major products or services lines		
Sales of electric vehicles* (Note)	**21,720**	3,012
Logistic services by electric vehicles#	**15,631**	–
Charging services*	**24**	–
	37,375	3,012
Revenue from other sources:		
Rental income from lease of electric vehicles#	**3,723**	–
	41,098	3,012

* recognised at point in time

\# recognised over time

Note:

During the year ended 31 March 2026, the Group recognised an income of USD2,100,000 (equivalent to approximately HK$16,422,000) (2025: HK$nil) that was previously included in the contract liabilities. The amount related to a previous customer deposit received in connection with a purchase of electric vehicles, which was forfeited during the year. Pursuant to HKFRS 15.15, the related contract liability of approximately HK$16,422,000 was derecognised and recognised as revenue during the year ended 31 March 2026.

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in Note 6(c).

7. REVENUE AND OTHER INCOME (Continued)

(b) Other income

	2026 **HK$'000**	2025 HK$'000
Gain on disposal of property, plant and equipment	–	93
Gain on lease termination	–	68
Government grants (Note)	–	32
Gain on reversal of provision for contractual penalty	**2,897**	–
Exchange gain, net	–	346
Sundry income	**13**	510
Interest income	**267**	416
	3,177	1,465

Note:

Government grants were received from local government authority and the entitlements of which were under the discretion of the relevant authorities. There are no unfulfilled conditions or other contingencies attaching to the government grants that have been recognised.

8. FINANCE COSTS

	2026 **HK$'000**	2025 HK$'000
Interest on bank borrowing	–	29
Interest on convertible notes	**169**	134
Interest on other borrowings	**239**	123
Interest on lease liabilities	**334**	111
	742	397

9. DIRECTORS' REMUNERATION

Directors' emoluments disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G) are as follows:

For the year ended 31 March 2026

	Fees HK$'000	Basic salaries, housing benefits, other allowances and benefits in kind HK$'000	Pension contributions HK$'000	Total HK$'000
Executive directors:				
Ms. Chan Hoi Ying	–	1,740	18	1,758
Mr. Zeng Yan (Appointed on 27 October 2025)	–	857	–	857
Mr. Yan Zhang Yan (Appointed on 1 September 2025)	–	630	–	630
Mr. Cheung Ngan (Retired on 29 September 2025)	–	1,220	–	1,220
Mr. Sun Jingchun (Retired on 29 September 2025)	–	492	11	503
Sub-total	–	4,939	29	4,968
Independent non-executive directors:				
Mr. Chan Francis Ping Kuen	100	–	–	100
Mr. Chen Zhang Liang (Appointed on 9 December 2025)	31	–	–	31
Mr. Gong Dao Jun (Appointed on 9 December 2025)	31	–	–	31
Ms. Chiang Siu Ling, Samantha (Appointed on 27 October 2025)	43	–	–	43
Mr. Lee Kwok Leung (Resigned on 9 December 2025)	69	–	–	69
Dato' Tan Yee Boon (Resigned on 9 December 2025)	69	–	–	69
Sub-total	343	–	–	343
Total	343	4,939	29	5,311

9. DIRECTORS' REMUNERATION (Continued)

For the year ended 31 March 2025

	Fees HK$'000	Basic salaries, housing benefits, other allowances and benefits in kind HK$'000	Pension contributions HK$'000	Total HK$'000
Executive directors:				
Mr. Cheung Ngan	–	2,588	–	2,588
Ms. Chan Hoi Ying	–	1,830	18	1,848
Mr. Sun Jingchun (Appointed on 5 September 2024)	–	563	8	571
Ms. Miguel Valldecabres Polop (Retired on 15 August 2024)	–	706	–	706
Sub-total	–	5,687	26	5,713
Independent non-executive directors:				
Mr. Chan Francis Ping Kuen	100	–	–	100
Mr. Lee Kwok Leung	100	–	–	100
Dato' Tan Yee Boon	100	–	–	100
Sub-total	300	–	–	300
Total	300	5,687	26	6,013

There were no arrangements under which a director waived or agreed to waive any remuneration for the years ended 31 March 2026 and 2025. No remuneration was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 March 2026 and 2025.

10. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals during the year included three (2025: three) directors, details of whose remuneration are set out in Note 9. The details of the remuneration of the remaining two (2025: two) non-director highest paid individuals are as follows:

	2026 HK$'000	2025 HK$'000
Basic salaries, allowances and benefits in kind	**1,528**	1,528
Pension contributions	**36**	36
	1,564	1,564

10. FIVE HIGHEST PAID INDIVIDUALS (Continued)

The number of non-director highest paid individuals whose remunerations fell within the following bands are as follows:

	2026 Number of employees	2025 Number of employees
HK$nil to HK$1,000,000	**2**	2
	2	2

No share option was granted to non-director, highest paid individuals in respect of their services to the Group under the share option scheme of the Company during the financial years ended 31 March 2026 and 2025.

No share has been awarded to non-director, highest paid individuals in respect of their services to the Group under the Share Award Plan during the years ended 31 March 2026 and 2025.

11. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

	2026 HK$'000	2025 HK$'000
Auditor's remuneration	**1,150**	920
Amortisation of other intangible assets (Note 20)	**1,822**	1,838
Cost of inventories recognised as expenses (Note)	**6,070**	4,982
Depreciation of property, plant and equipment (Note 15)	**3,566**	2,786
Depreciation of right-of-use assets (Note 17)	**2,663**	1,997
Exchange loss/(gain), net	**154**	(346)
Loss on write-off of property, plant and equipment	**–**	18
Impairment of trade receivables, net	**5,628**	7,584
Reversal of impairment of contract assets	**–**	(516)
Impairment of mining assets (Note 19)	**266,981**	284,752
Write-off of other receivables and prepayments	**352**	16,360
Write-off construction in progress	**1,758**	–
Loss on disposal of subsidiaries	**1,415**	2,674
Loss on dissolution of a subsidiary	**–**	58
Short-term and low-value lease expense	**1,072**	634
Directors' remuneration (Note 9)	**5,311**	6,013
Employee costs (excluding directors' remuneration)		
– Salaries and allowances	**8,779**	7,777
– Other benefits	**813**	186
– Pension contributions	**476**	468
	10,068	8,431

Note: Cost of inventories recognised as expenses for the year ended 31 March 2026 includes HK$nil (2025: HK$595,000) relating to depreciation of property, plant and equipment and HK$2,646,000 (2025: HK$2,055,000) relating to write-down of inventories.

12. INCOME TAX

(a) The amount of income tax credit in the consolidated statement of profit or loss and other comprehensive income represents:

	2026 HK$'000	2025 HK$'000
Current tax		
– Provision for PRC enterprise income tax for the year	–	–
Deferred tax (Note 30)		
– Origination and reversal of temporary differences	(123)	(121)
Income tax credit	(123)	(121)

Overseas taxes on assessable profits of the group companies, if any, are calculated at the rates of tax prevailing in the respective jurisdictions in which they operate, based on the prevailing legislation, interpretations and practices in respect thereof.

As at 31 March 2026, deferred tax assets have not been recognised for the following deductible temporary differences:

	2026 HK$'000	2025 HK$'000
Unused tax losses		
– Hong Kong	241,736	234,801
– Mainland China	244,885	220,882
Other deductible temporary differences	12	9,209
	486,633	464,892

The tax losses of the subsidiaries operating in Hong Kong will not expire under the current tax legislation. The tax losses of the subsidiaries operating in Mainland China will expire within five years.

No deferred tax asset has been recognised in respect of the unused tax losses and other deductible temporary differences as it is not probable that taxable profit will be available against which the tax losses and other deductible temporary differences can be utilised.

12. INCOME TAX (Continued)

(b) The income tax credit for the year can be reconciled to the loss before income tax as stated in the consolidated statement of profit or loss and other comprehensive income as follows:

	2026 **HK$'000**	2025 HK$'000
Loss before income tax	**(293,236)**	(374,029)
Tax credit at the applicable rates	**(72,795)**	(93,494)
Tax effect of non-taxable revenue	**(850)**	(485)
Tax effect of non-deductible expenses	**69,614**	83,502
Tax effect of tax losses and deductible temporary differences not recognised	**4,644**	10,356
Utilization of tax losses previously not recognized	**(736)**	–
Income tax credit for the year	**(123)**	(121)

13. DIVIDEND

No dividend has been proposed or paid by the Company in respect of the years ended 31 March 2026 and 2025.

14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	2026 **HK$'000**	2025 HK$'000
Loss for the year attributable to owners of the Company	**(291,999)**	(372,028)

	2026 **Number of shares**	2025 Number of shares
Weighted average number of ordinary shares in issue	**269,510,616**	192,648,401

Basic and diluted loss per share of HK$1.08 per share (2025: HK$1.93 per share) is based on the loss for the year attributable to owners of the Company of HK$291,999,000 (2025: HK$372,028,000) and the weighted average number of ordinary shares in issue detailed above. The basic and diluted loss per share for the year presented are the same (2025: Same) as the potential ordinary shares issuable under the share options and share award plan are anti-dilutive.

15. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Plant and machinery HK$'000	Furniture, fixtures, equipment and motor vehicles HK$'000	Total HK$'000
Cost:				
At 1 April 2024	7,681	70,836	13,098	91,615
Disposal	–	–	(2,373)	(2,373)
Disposal of subsidiaries (Note 45)	–	(770)	(287)	(1,057)
Written off	–	(104)	(206)	(310)
Exchange realignment	(19)	(677)	(74)	(770)
At 31 March 2025 and 1 April 2025	7,662	69,285	10,158	87,105
Additions	1,838	39	24,650	26,527
Exchange realignment	162	3,736	1,216	5,114
At 31 March 2026	**9,662**	**73,060**	**36,024**	**118,746**
Accumulated depreciation:				
At 1 April 2024	7,223	43,410	10,580	61,213
Charge for the year	272	2,052	462	2,786
Disposal	–	–	(2,359)	(2,359)
Disposal of subsidiaries	–	(663)	(279)	(942)
Written off	–	(99)	(193)	(292)
Exchange realignment	(19)	(405)	(52)	(476)
At 31 March 2025 and 1 April 2025	7,476	44,295	8,159	59,930
Charge for the year	166	1,894	1,506	3,566
Exchange realignment	101	2,320	328	2,749
At 31 March 2026	**7,743**	**48,509**	**9,993**	**66,245**
Carrying amount:				
At 31 March 2026	**1,919**	**24,551**	**26,031**	**52,501**
At 31 March 2025	186	24,990	1,999	27,175

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the year, the Group entered into sale and leaseback arrangements for certain electric vehicles with independent third parties. The Group determined the transfer to buyer-lessor did not qualify as a sale as it did not satisfy the requirement of HKFRS 15 to be accounted for as a sale of asset, thus the Group continues to recognise the underlying assets, and accounts for the consideration received in accordance with the Group's accounting policy. No gain or loss was recognised from the sale and leaseback transactions. As at 31 March 2026, the net book value of the electric vehicles pledged for the aforementioned sale and leaseback transaction(s) was HK$21,006,000 (2025: HK$nil) (Note 28).

Details on electric vehicles leased out under operating leases as included in the property, plant and equipment is as follows:

	HK$'000
At cost:	
At 1 April 2024, 31 March 2025 and 1 April 2025	–
Additions	21,219
Exchange realignment	706
At 31 March 2026	**21,925**
Accumulated depreciation:	
At 1 April 2024, 31 March 2025 and 1 April 2025	–
Depreciation for the year	889
Exchange realignment	30
At 31 March 2026	**919**
Net book value:	
At 31 March 2026	**21,006**
At 31 March 2025	–

The Group leases out a number of items of electric vehicles under operating leases. The leases typically run for a period of 5 years. None of the leases includes variable lease payments.

16. CONSTRUCTION IN PROGRESS

	Mining assets in the PRC HK$'000	**Plant and machinery in the PRC** HK$'000	**Total** HK$'000
At 1 April 2024	10,188	16,515	26,703
Additions	1,730	14	1,744
Exchange realignment	(122)	(176)	(298)
At 31 March 2025 and 1 April 2025	11,796	16,353	28,149
Additions	–	522	522
Write-off	(1,758)	–	(1,758)
Exchange realignment	639	985	1,624
At 31 March 2026	**10,677**	**17,860**	**28,537**

The mining assets in the PRC represented the preliminary construction costs incurred for the development of road access to the factory buildings to be constructed for the mining business of thenardite.

The plant and machinery in the PRC represented (i) the preliminary construction costs incurred for the new manufacturing plant of electric vehicles in Chongqing; and (ii) new plant and machinery of charging station in Uyghur.

The directors carried out impairment assessment on the recoverable amounts of construction in progress of the mining assets and plant and machinery in the PRC. Based on the results of these assessments, the directors are of the opinion that there was no impairment of construction in progress as at 31 March 2026 (2025: HK$nil).

17. RIGHT-OF-USE ASSETS

An analysis of the net book values of right-of-use assets by classes of underlying assets is as follows:

	Notes	**2026** **HK$'000**	2025 HK$'000
Ownership interests in leasehold land and buildings held for own use, carried at depreciated cost, with remaining lease term of between 10 and 50 years	(i)	**13,205**	12,818
Other properties leased for own use, carried at depreciated cost	(ii)	**12,666**	836
		25,871	13,654

17. RIGHT-OF-USE ASSETS (Continued)

The analysis of movement of the Group's right-of-use assets is as follows:

	Ownership interests in leasehold land and buildings held for own use HK$'000	**Other properties leased for own use** HK$'000	**Total** HK$'000
At 1 April 2024	13,309	4,972	18,281
Depreciation	(353)	(1,644)	(1,997)
Lease termination	–	(2,490)	(2,490)
Exchange realignment	(138)	(2)	(140)
At 31 March 2025 and at 1 April 2025	12,818	836	13,654
Additions	–	13,726	13,726
Depreciation	(358)	(2,305)	(2,663)
Exchange realignment	745	409	1,154
At 31 March 2026	**13,205**	**12,666**	**25,871**

Details of the maturity analysis of lease liabilities are set out in Note 29.

Notes:

(i) Ownership interests in leasehold land and buildings held for own use

The Group holds several industrial land and buildings for its business, where its manufacturing facilities are primarily located. The Group is the registered owner of these property interests, including the whole or part of undivided share in the underlying land. Lump sum payments were made upfront to acquire these property interests from their previous registered owners, and there are no ongoing payments to be made under the term of land lease, other than payments based on rateable values set by the relevant government authorities. These payments vary from time to time and are payable to the relevant government authorities.

(ii) Other properties leased for own use

The Group has obtained the right to use on other properties as its office premises and warehouses through tenancy agreements. The leases typically run for an initial period of two to ten years (2025: two years).

18. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries as at 31 March 2026 are as follows:

Name of subsidiaries	Place of incorporation/ registration and operations	Particulars of issued and paid-up capital/ paid-up registered capital	Attributable equity interest 2026	2025	Principal activities
Directly held by the Company					
China Elegance Holdings Limited[2]	British Virgin Islands	1,000 shares of US$1 each	**100%**	100%	Investment holding
Indirectly held by the Company					
Apex Winner Limited[2]	Hong Kong	HK$1	**100%**	100%	Provision of management services
CE Investment Limited[2]	Samoa	1 share of US$1 each	**100%**	100%	Investment holding
China Dynamics New Energy Technology Company Limited[2]	Hong Kong	HK$40,000	**100%**	100%	Trading of electric bus
China Elegance Resources Limited[2]	British Virgin Islands	1 share of US$1 each	**100%**	100%	Investment holding
Hong Kong Cable Services Company Limited[2]	Hong Kong/ PRC	HK$100,000	**100%**	100%	Trading of computer hardware and software, provision of computer maintenance services and software development
South China Mining Investments Limited[2]	British Virgin Islands	100 shares of US$1 each	**100%**	100%	Investment holding
Wise Goal Enterprises Limited[2]	Hong Kong	HK$1	**100%**	100%	Investment holding
Sino Brighter Limited[2]	Hong Kong	HK$100	**100%**	100%	Investment holding
重慶中銅新能源汽車技術有限公司 Chongqing Sinocop New Energy Vehicle Technology Company Limited[1][2]	PRC	RMB30,000,000	**100%**	100%	Investment holding and motor vehicles trading
重慶穗通新能源汽車製造有限公司 Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd.[1][2]	PRC	RMB40,000,000	**70%**	70%	Motor vehicles manufacturing and trading
重慶穗通汽車工業發展有限公司 Chongqing Suitong Vehicles Industrial Development Company Limited[1][2]	PRC	RMB10,550,100	**100%**	100%	Manufacturing of electric bus

18. INTERESTS IN SUBSIDIARIES (Continued)

Name of subsidiaries	Place of incorporation/ registration and operations	Particulars of issued and paid-up capital/ paid-up registered capital	Attributable equity interest 2026	2025	Principal activities
廣西威日礦業有限責任公司 Guangxi Weiri Mining Company Limited ("Guangxi Weiri") [1][2]	PRC	RMB119,736,836	**100%**	100%	Mining and sale of mineral resources
深圳市中動智慧新能源技術有限公司 Shenzhen New Energy Technology Company Limited[1][2]	PRC	RMB10,422,148	**100%**	100%	Development of new energy technology and product
中銅動能(蘭州)科技有限公司 Zhongtong Kinetic Energy (Lanzhou) Technology Company Limited[1][2]	PRC	RMB5,200,000	**100%**	100%	Electric vehicles transport services and operations, and electric vehicles leasing services
中銅動能(杭州)科技有限公司 Zhongtong Kinetic Energy (Hangzhou) Technology Company Limited[1][2]	PRC	RMB19,058,606	**100%**	100%	Electric vehicles leasing and charging services

(1) The English names of the subsidiaries are for identification only.

(2) The legal entity is private limited company.

The above table lists the subsidiaries of the Company, which, in the opinion of the directors of the Company, principally affected the results of the Group or constituted a substantial portion of its assets. To give details of other subsidiaries would result in particulars of excessive length.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

19. MINING ASSETS

	HK$'000
Cost:	
At 1 April 2024	2,437,885
Exchange realignment	(25,874)
At 31 March 2025 and 1 April 2025	2,412,011
Exchange realignment	142,689
At 31 March 2026	**2,554,700**
Accumulated impairment loss:	
At 1 April 2024	1,298,885
Impairment loss	284,752
Exchange realignment	(16,626)
At 31 March 2025 and 1 April 2025	1,567,011
Impairment loss	266,981
Exchange realignment	101,348
At 31 March 2026	**1,935,340**
Carrying amount:	
At 31 March 2026	**619,360**
At 31 March 2025	845,000

Mining assets have not been amortised since acquisition as the mine has not yet commenced operation since then.

In the opinion of management, the mining project is ongoing and is pending for the construction of a processing factory as planned upon adequate land being acquired. The Group acquired a land use right covering 63,118 square meters of land at a cost of RMB7.6 million in prior years (i.e. the Guangxi Land) and another RMB8.6 million has been paid for approximately 100,000 square meters of land for a factory site. However, the land use right of the Guangxi Land was revoked by the local bureau as it remained idle for many years and relevant loss was recognised in profit or loss in the prior year. As at 31 March 2026, no land use rights have been issued.

As at 31 March 2026 and 2025, the mining rights with a carrying amount of HK$619,360,000 (2025: HK$845,000,000) were frozen and sealed under a preservation order applied by the Guangxi Contractor (as defined in Note 46(a)). Details of the related litigation are set out in Note 46(a). Subsequent to the reporting period, in June 2026, the Group has fully settled the outstanding payables in relation to the litigation. Management is of the view that the preservation order will be lifted upon completion of the full settlement.

19. MINING ASSETS (Continued)

Impairment testing of mining assets

The directors determined the recoverable amount of the mining assets at its fair value less costs of disposal based on a valuation performed by an independent firm of professional valuers (the "Valuers") using the multi period excess earnings method.

The multi period excess earnings method is based on the projection of future cash flows of the mining business covering a fifteen-year period from 2027 to 2041 to reflect the length of time management is committed to exploit the economic benefits of the mining business of thenardite and the expected useful lives of the processing plant and machinery the Group has invested and will continue to invest. Cash flows covering the first six-year period from 2027 to 2032 are based on financial budgets approved by senior management. Cash flows beyond the six-year period are extrapolated to 2041 using an estimated weighted average income growth rate of 1.92% (2025: 2.34%), which does not exceed the geometric mean of fifteen-year average of China Producer Price Index-non ferrous Metals Mining and Dressing Year over Year. Management considers the six years period from 2027 to 2032 reflects the length of time to incur necessary capital expenditure to exploit the economic benefits of the mining business of thenardite. The projected future cash flows are discounted to its present value by the appropriate discount rate determined from market data.

Below are the key assumptions used for the multi period excess earnings method:

	2026	2025
Thenardite price per ton	**RMB675**	RMB681
Required rate of return for working capital	**3.68%**	3.68%
Required rate of return for fixed assets	**12.32%**	11.92%
Required rate of return for assembled workforce	**18.70%**	17.58%
Post-tax discount rate	**24.20%**	23.08%
Income growth rate within the projected period	**1.92%**	2.34%
Costs growth rate within the projected period	**1.27%**	1.21%

Management determined the thenardite price based on relevant data obtained from third party's quotation and market research report performed by third party organisation pertaining to the mining business in Guangxi. The income growth rate represents the expected inflation rate based on the China Producer Price Index for non-metal minerals from 2011 to 2026 and the costs growth rate represents the China Producer Price Index from 2004 to 2026. Management believes the Group can attain maximum production capacity based on planned resources within seven years of commercial production and sustain such capacity throughout the remaining projected period. The discount rate used reflects the specific risks associated with the mining business of thenardite.

The fair value of the mining assets was estimated using unobservable market data to derive the projected future cash flows of the businesses over its economic useful life and is classified within level 3 of the fair value hierarchy.

As at 31 March 2026, the recoverable amount of the mining assets was HK$619.4 million (2025: HK$845.0 million), which was lower than its carrying value of HK$886.3 million (2025: HK$1,129.8 million), and hence an impairment loss of HK$266,981,000 was recognised in the profit or loss (2025: HK$284,752,000).

The business license of Guangxi Weiri expired on 26 March 2026 due to the failure to complete the necessary amendments to its Articles of Association. The Group has assessed the potential impact of this expiration on the mining assets and is currently executing a remediation plan to renew the license. Based on the legal advice obtained, the management is of the view that there are no legal obstacles to renewing the business license, and the temporary expiration of the business license does not result in any financial impact on the mining assets.

20. OTHER INTANGIBLE ASSETS

	Technical know-how HK$'000	Industrial proprietary rights HK$'000	Total HK$'000
Cost:			
At 1 April 2024	32,594	20,527	53,121
Exchange realignment	(402)	(218)	(620)
At 31 March 2025 and 1 April 2025	32,192	20,309	52,501
Exchange realignment	2,216	1,201	3,417
At 31 March 2026	**34,408**	**21,510**	**55,918**
Accumulated amortisation and impairment loss:			
At 1 April 2024	32,594	16,888	49,482
Charge for the year	–	1,838	1,838
Exchange realignment	(402)	(195)	(597)
At 31 March 2025 and 1 April 2025	32,192	18,531	50,723
Charge for the year	–	1,822	1,822
Exchange realignment	2,216	1,157	3,373
At 31 March 2026	**34,408**	**21,510**	**55,918**
Carrying amount:			
At 31 March 2026	–	–	–
At 31 March 2025	–	1,778	1,778

Technical know-how on the use of aluminium body frame for electric bus and industrial proprietary rights

Technical know-how on the use of aluminium body frame for electric bus was acquired as part of the acquisition of Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd. in the prior year and has an estimated useful life of 5 years, over which the asset is amortised. As at the end of the financial year, technical know-how has been fully amortised.

The industrial proprietary rights are related to the exclusive rights in production of specific electric vehicles acquired during the years ended 31 March 2017 and 2016.

Both technical know-how on the use of aluminium body frame and industrial proprietary rights were allocated to the CGU of the development of electric vehicles ("EV CGU"). The directors determined the recoverable amount of EV CGU from its fair value less costs of disposal calculation based on a valuation performed by the Valuers.

20. OTHER INTANGIBLE ASSETS (Continued)

Technical know-how on the use of aluminium body frame for electric bus and industrial proprietary rights (Continued)

Below are the key assumptions used for the fair value less costs of disposal calculation as at 31 March 2026:

	2026	2025
Adjusted unit price per square meter for land	**HK$346**	HK$307
Construction cost per square meter for buildings	**HK$1,901 to HK$3,027**	HK$1,814 to HK$2,907

The fair value less costs of disposal of EV CGU as at 31 March 2026 was estimated using unobservable market data to derive the fair value of major non-current assets composing EV CGU using replacement cost approach and direct comparison approach and is a level 3 fair value measurement.

As the recoverable amount of EV CGU exceeded the carrying amount of the EV CGU's non-current assets, which comprises property, plant and equipment of approximately HK$26,133,000 (2025: HK$27,100,000), right-of-use assets of approximately HK$13,206,000 (2025: HK$13,654,000), construction in progress of approximately HK$17,320,000 (2025: HK$16,353,000), other intangible assets of approximately HK$nil (2025: HK$1,778,000) and other non-current assets, the directors are of the opinion that there was no impairment on the assessed non-current assets as at 31 March 2026 (2025: HK$nil).

21. FINANCIAL ASSETS AT FVTPL

	2026 **HK$'000**	2025 HK$'000
Financial assets at FVTPL comprise:		
Unlisted equity investments outside Hong Kong	**–**	–

On 29 October 2024, the Augsburg judiciary officially announced the opening of insolvency proceedings against Quantron AG ("Quantron").

As at 31 March 2025, the Group held 1,195 shares of Quantron, a company incorporated in Germany with limited liability and principally engaged in e-mobility in inner-city and regional passenger and freight transport. The shares held represented approximately 1.7% equity interest in Quantron. The fair value of the financial assets at FVTPL was determined based on level 3 of fair value hierarchy as detailed in Note 42.

During the year ended 31 March 2026, the Group noted that Quantron had formally concluded its insolvency proceedings and was officially liquidated. The dissolution of Quantron did not result in any further impact on the Group's consolidated statement of profit or loss and consolidated statement of financial position for the current year. Following the official liquidation, the Group has derecognised the investment.

22. INVENTORIES

	2026 HK$'000	2025 HK$'000
Raw materials	**4,916**	4,665
Work in progress	**2,905**	4,750
Finished goods	**2,764**	4,293
	10,585	13,708

23. TRADE RECEIVABLES

	2026 HK$'000	2025 HK$'000
Trade receivables	**39,053**	34,519
Less: Impairment losses	**(34,812)**	(28,705)
Trade receivables, net	**4,241**	5,814

The ageing analysis of trade receivables, net at the end of the reporting period, based on the invoice date, was as follows:

	2026 HK$'000	2025 HK$'000
Within one month	**1,437**	–
31-90 days	**1,320**	–
91-180 days	**956**	–
181-365 days	**527**	–
More than 1 year	**1**	5,814
	4,241	5,814

The average credit period of the trade receivables ranged from 15 to 365 days from the invoice date. As at 31 March 2026, the Group had a gross trade receivable of HK$12,949,000 (2025: HK$12,949,000) from a customer in relation to the sale of electric vehicles. This receivable bears interest at 5% per annum and is repayable by monthly instalments over 5 years from the date on which the related goods were delivered and accepted by the customer. During the year ended 31 March 2026, a further impairment provision of HK$5,635,000 (2025: HK$5,614,000) was recognised for this receivable in the consolidated statement of profit or loss and other comprehensive income. This increased the accumulated impairment provision on this receivable to HK$12,949,000 (2025: HK$7,314,000) in the consolidated statement of financial position. Consequently, the receivable was fully impaired as at 31 March 2026, resulting in a HK$nil carrying amount (2025: carrying amount of HK$5,635,000).

The Group recognised impairment losses based on the accounting policy stated in Note 4(h)(ii). Further details of the Group's credit policy and credit risk arising from trade receivables are set out in Note 41.

24. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026 HK$'000	2025 HK$'000
Other receivables, net of impairment	**6,707**	5,861
VAT recoverable	**11,931**	7,740
Deposits	**3,047**	2,025
Prepayments	**27,294**	17,482
	48,979	33,108
Less: Non-current portion		
Prepayments to acquire land use right	**(12,014)**	(11,343)
	36,965	21,765

25. ACCOUNTS PAYABLE

The ageing analysis of accounts payable at the end of the reporting period, based on the invoice date, was as follows:

	2026 HK$'000	2025 HK$'000
Within one month	**2,272**	65
31-90 days	**155**	1
91-180 days	**–**	–
181-365 days	**69**	–
More than 1 year	**5,690**	5,606
	8,186	5,672

The credit period from the Group's trade creditors ranged from 20 days to 180 days.

26. OTHER PAYABLES AND ACCRUALS

	2026 HK$'000	2025 HK$'000
Accrued staff costs	**13,698**	11,227
Payables for property, plant and equipment and construction in progress	**2,828**	2,670
Provision for compensations to suppliers and contractors	**5,823**	11,118
Other payables and accruals	**19,873**	11,413
Deposit received related to the Suitong Disposal (as defined Note 46(b))	**37,028**	36,449
	79,250	72,877

Note:

As at 31 March 2026, the balance included amounts due to the directors of the Company in aggregate amount of HK$6,221,000 (2025: HK$9,066,000), in which the amounts of approximately HK$1,419,000 (2025: HK$nil) and HK$1,476,000 (2025: HK$nil), both denominated in RMB, which are unsecured, repayable on demand, and bear interest at 1% per month and 5% per annum, respectively. The remaining amounts are interest-free, unsecured and repayable on demand.

27. CONTRACT ASSETS/CONTRACT LIABILITIES

Contract Assets

Certain portion of the consideration from the sales of electric vehicles of the Group to be received from the PRC government by the way of national subsidies in accordance with the Circular on Financial Support Policies for the Promotion and Application of New Energy Vehicles 2016-2020 (Cai Jian 2015 134) and other relevant and applicable government's notices and policies promulgated by the PRC government, and the sales contracts made between the Group and these customers. As at 31 March 2026 and 2025, the subsidy receivables from the PRC government, net of impairment losses, amounting to HK$209,000 and HK$197,000, respectively, were subject to the relevant subsidy policies and were not unconditional. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The expected loss rate for the measurement of the expected credit losses of the contract assets is considered to be low as the counterparty is the PRC government. The expected loss rate of contract assets reflects the time value of money, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecast of future economic conditions.

Contract Liabilities

The contract liabilities represented the receipt in advance from certain customers for the sale of electric vehicles. Amounts included in contract liabilities at the beginning of the year that was recognised as revenue during the period amounted to HK$20,661,000 (2025: HK$1,342,000).

Included in the contract liabilities balance as at 31 March 2025 was a customer deposit of USD2,100,000 (equivalent to approximately HK$16,422,000) received in respect of a purchase of electric vehicles. During the year ended 31 March 2026, the customer deposit was forfeited. Pursuant to HKFRS 15.15, the related contract liability of HK$16,422,000 was derecognised and recognised as revenue during the year. For details, please refer to Note 7.

The Group has applied the practical expedient in HKFRS 15.121(a) which exempts the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date for its sales contracts for electric vehicles as the performance obligations had an original expected duration of one year or less.

28. OTHER BORROWINGS

	2026 **HK$'000**	2025 HK$'000
Secured other borrowings	**13,423**	–
Analysed as:		
Current	**5,395**	–
Non-current	**8,028**	–
	13,423	–

The secured other borrowings are repayable as below:

	2026 **HK$'000**	2025 HK$'000
Not later than one year	**5,395**	–
Later than 1 year and not later than 2 years	**4,789**	–
Later than 2 years and not later than 5 years	**3,239**	–
	13,423	–

The other borrowings bear interests at 5.0% to 11.8% per annual (2025: nil).

As at 31 March 2026, the other borrowings were secured by pledge of the Group's electric vehicles with net book value of HK$21,006,000 (2025: HK$nil) (Note 15).

29. LEASE LIABILITIES

The Group as a lessee

The Group leases a number of properties in the PRC and Hong Kong. The lease payments are fixed over the lease term and there are no renewal options, variable lease payments nor restrictions or covenants included in these lease agreements.

The Group also regularly entered into short-term leases for office premises and car parking space. The Group does not recognise right-of-use assets and lease liabilities in regard of these short-term leases. The Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease terms.

The following table shows the remaining contractual maturities of the Group's lease liabilities at 31 March 2026 and 2025:

	2026		2025	
	Present value HK$'000	**Future lease payments HK$'000**	Present value HK$'000	Future lease payments HK$'000
Not later than 1 year	**3,840**	**4,531**	2,281	2,297
Later than 1 year and not later than 2 years	**2,546**	**3,073**	–	–
Later than 2 years and not later than 5 years	**2,535**	**3,755**	–	–
Later than 5 years	**4,201**	**4,866**	–	–
	13,122	**16,225**	2,281	2,297
Less: total future interest expenses		**(3,103)**		(16)
Present value of lease liabilities		**13,122**		2,281

	2026 HK$'000	2025 HK$'000
Analysed as:		
Current	**3,840**	2,281
Non-current	**9,282**	–
	13,122	2,281

30. DEFERRED TAX LIABILITIES

Details of the deferred tax liabilities recognised and movement during the current and prior year:

	Fair value adjustment of land and building arising from business combination HK$'000
At 1 April 2024	
Credited to profit or loss	4,166
Exchange alignment	(121)
	(43)
At 31 March 2025 and 1 April 2025	4,002
Credited to profit or loss	(123)
Exchange alignment	232
At 31 March 2026	**4,111**

31. LOANS FROM SHAREHOLDERS

The loans are unsecured, interest-free and repayable on demand or within one year.

32. CONVERTIBLE NOTES

On 13 September 2024, the Company issued convertible notes (the "Convertible Notes") at a principal amount of HK$5,000,000 which carries interest at 4% per annum. Interest will be paid semi-annually on 30 June and 31 December in each year. The Convertible Notes have a maturity period of two years from the date of issue and can be converted into ordinary shares of the Company at HK$0.5 per share (after adjustment for the Share consolidation (Note 33(iii)) or HK$0.1 per share (before adjustment for the Share consolidation) at the option of the holder from the date falling on the third monthiversary of the issue date of the Convertible Notes to the maturity date, subject to the conversion restriction set out in the terms of the Convertible Notes in relation to the compliance with the relevant requirements of the Hong Kong Code on Takeovers and Mergers and the Listing Rules. The Company has the right to redeem the entire or part of the principal amount of the Convertible Notes at a redemption amount equal to the principal amount outstanding on or before the maturity date but not the holder of the Convertible Notes.

The Convertible Notes that contain liability and conversion option components were classified separately into their respective items on initial recognition. The fair value of the liability component was determined based on the valuation conducted by the Valuers at the issue date (i.e. 13 September 2024). The fair value of the Convertible Notes as a whole was determined by using the Binomial Option Pricing Model. The fair value of the liability component of the Convertible Notes was calculated using cash flows discounted at a rate based on an equivalent market interest rate for equivalent non-convertible notes.

The initial carrying amount of the equity component was determined by deducting the fair value of the liability component from the fair value of the Convertible Notes as a whole and was included in equity as convertible notes equity reserve.

The effective interest rate of the liability component on initial recognition and the subsequent recognition of interest expense on the Convertible Notes was calculated using effective interest rate of 7.7% per annum.

32. CONVERTIBLE NOTES (Continued)

On 18 September 2025, the Convertible Notes in principal amount of HK$5,000,000 were fully converted into 10,000,000 ordinary shares of the Company.

Details of the Convertible Notes outstanding are as follows:

	Principal amount HK$'000	Number of conversion shares	Convertible notes – liability component HK$'000	Convertible notes equity reserve HK$'000
Balance as at 1 April 2024	–	–	–	–
Issue of the Convertible Notes	5,000	50,000,000	4,676	324
Share consolidation (Note)	–	(40,000,000)	–	–
Imputed interest	–	–	134	–
Balance as at 31 March 2025	–	10,000,000	4,810	324
Imputed interest	–	–	169	–
Conversion during the year	(5,000)	(10,000,000)	(4,979)	(324)
Balance as at 31 March 2026	**–**	**–**	**–**	**–**

Note:

Pursuant to the terms of the subscription agreement of the Convertible Notes, the conversion price of the Convertible Notes and the number of conversion shares issuable upon exercise of the conversion rights attaching to the Convertible Notes have been adjusted with effect from 13 November 2024 following the share consolidation (Note 33(iii)) became effective.

33. SHARE CAPITAL

	2026 Number of shares	2026 HK$'000	2025 Number of shares	2025 HK$'000
Ordinary shares of HK$0.05 each				
Authorised:				
At beginning of the year	**10,000,000,000**	500,000	5,000,000,000	500,000
Capital Reorganisation (Note (i))	**–**	–	45,000,000,000	–
Share Consolidation (Note (iii))	**–**	–	(40,000,000,000)	–
At end of the year	**10,000,000,000**	500,000	10,000,000,000	500,000
Issued and fully paid:				
At beginning of the year	**199,979,109**	9,998	927,967,897	92,796
Capital Reorganisation (Note (i))	**–**	–	–	(83,517)
Issue of rights shares (Note (ii))	**–**	–	25,577,651	256
Issue of shares under placing (Note (ii))	**–**	–	46,350,000	463
Share Consolidation (Note (iii))	**–**	–	(799,916,439)	–
Issue of 27,000,000 shares under placing (Note (iv))	**27,000,000**	1,350	–	–
Subscription of shares (Note (v))	**60,000,000**	3,000	–	–
Conversion of convertible notes (Note (vi))	**10,000,000**	500	–	–
Issue of 20,000,000 shares under placing (Note (vii))	**20,000,000**	1,000	–	–
At end of the year	**316,979,109**	15,848	199,979,109	9,998

33. SHARE CAPITAL (Continued)

Notes:

(i) On 19 August 2024, the Company conducted a capital reorganisation (the "Capital Reorganisation") that was approved by the shareholders of the Company in the special general meeting held on 15 August 2024. Pursuant to the Capital Reorganisation, (i) the issued share capital of the Company is reduced from HK$0.1 to HK$0.01 per share; and (ii) each of the authorised but unissued existing share of par value of HK$0.1 each is subdivided into ten authorised but unissued adjusted shares of par value of HK$0.01 each. Credit arising from the Capital Reorganisation of approximately HK$83,517,000 be applied towards offsetting accumulated losses of the Company. The number of authorised shares of the Company was adjusted from 5,000,000,000 ordinary shares at HK$0.1 each to 50,000,000,000 ordinary shares at HK$0.01 each immediately after the Capital Reorganisation.

(ii) A right issue was conducted on the basis of three right shares for every two ordinary shares of the Company at a subscription price of HK$0.095 per rights share. The Company received for a total of 25,577,651 right shares application which was valid. For the remaining unissued right shares, the Company has, pursuant to Rule 7.21(1)(b), made compensatory arrangements by entering into a placing agreement for placees to subscribe for the remaining right shares. On 30 September 2024, 46,350,000 unsubscribed shares were placed at the price of HK$0.095 per share under the placing agreement. On 9 October 2024, the Company announced that a total of 71,927,651 rights shares were allotted and issued. Gross proceeds raised from the rights issue were approximately HK$6,833,000 and the net proceeds from the rights issue were approximately HK$6,698,000. The Company accounted for increase of share capital by approximately HK$719,000 and share premium of approximately HK$5,979,000 (after deducted directly attributable share issuing expenses).

(iii) On 13 November 2024, the Company underwent a share consolidation for every five (5) issued and unissued ordinary shares of the Company be consolidated into one (1) ordinary share of the Company whereby the par value of all the then issued and unissued consolidated shares increases from HK$0.01 to HK$0.05 each (the "Share Consolidation"). The number of then issued ordinary shares of the Company were 999,895,548 ordinary shares at HK$0.01 each were consolidated into 199,979,109 ordinary shares at HK$0.05 each immediately after the Share Consolidation became effective.

(iv) On 9 May 2025, the Company placed an aggregate of 27,000,000 placing shares at HK$0.30 per placing share to not less than six placees. The net proceeds (deducting directly related expenses) from the placing are approximately HK$7,853,000 of which HK$1,350,000 was credited to share capital and the remaining balance of approximately HK$6,503,000 was credited to share premium account.

(v) On 10 September 2025, 60,000,000 subscription shares of the Company were issued at a subscription price of HK$0.45 each to a subscriber. The net proceeds from the subscription was approximately HK$26,824,000 of which HK$3,000,000 was credited to share capital and the remaining balance of approximately HK$23,824,000 (after deduction of professional fees and all relevant expenses) was credited to share premium account.

(vi) On 18 September 2025, the Company's convertible notes in principal amount of HK$5,000,000 were fully converted into 10,000,000 ordinary shares of the Company at the conversion price of HK$0.5 per share, of which HK$500,000 was credited to share capital and the remaining balance of approximately HK$4,663,000 was credited to share premium account.

(vii) On 1 December 2025, the Company completed a placing of 20,000,000 shares at HK0.78 per share to not less than six placees. The net proceeds was HK$15,362,000 of which HK$1,000,000 was credited to share capital and the remaining balance (net of share issue expenses of HK$238,000) of HK$14,362,000 was credited to share premium account.

Subsequent to the end of the financial year:

- on 24 April 2026, the Company completed a subscription of 3,830,000 subscription shares at HK$0.512 per subscription share. The net proceeds (deducting directly related expenses) from the subscription are approximately HK$1.94 million which intends to be used for the repayment of certain indebtedness and general working capital purpose; and

- on 14 May 2026, the Company completed another subscription of 3,840,000 subscription shares at HK$0.52 per subscription share. The net proceeds (deducting directly related expenses) from the subscription are approximately HK$1.98 million for the settlement of a judgement amount and the replenishment of the Group's general working capital.

34. SHARE-BASED PAYMENT TRANSACTIONS

Share option scheme

A share option scheme was adopted by an ordinary resolution of the shareholders at annual general meeting of the Company on 30 August 2013 (the "2013 Share Option Scheme"). The 2013 Share Option Scheme is governed by Chapter 17 of the Listing Rules and would remain in force for 10 years from the adoption date on 30 August 2013.

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 29 August 2023 (the "Adoption Date"), the Company's new share option scheme (the "2023 Share Option Scheme") was adopted. The 2023 Share Option Scheme is governed by Chapter 17 of the Listing Rules and will remain in force for 10 years from the Adoption Date.

The total number of shares in respect of which options may be granted under the 2023 Share Option Scheme was 18,559,357 shares (after the effect on Share Consolidation), representing 10% of the issued share capital of the Company as at the Adoption Date. There is no material change of the terms under the 2023 Share Option Scheme.

No share option was granted during both years.

The movements in the number of share options during the year were as follows:

Date of offer of grant	At 01/04/2024	Forfeited/ lapsed during the year	Adjusted during the year	At 31/03/2025	Forfeited/ lapsed during the year	At 31/03/2026	Adjusted exercise price after the Share Consolidation and rights issue	Exercise period	Vesting period
11/04/2014	3,400,000	(3,400,000)	–	–	–	–	N/A	12/04/2016 to 10/04/2024	12/04/2014 to 12/04/2020
10/03/2016	26,110,000	–	(21,232,308)	4,877,692	(4,877,692)	–	HK$16.05	10/03/2016 to 09/03/2026	10/03/2016 to 11/03/2020
25/02/2021	25,900,000	(9,000,000)	(13,742,858)	3,157,142	–	3,157,142	HK$6.59	25/02/2021 to 25/02/2031	N/A
20/12/2022	37,000,000	(9,130,769)	(22,769,231)	5,100,000	(504,396)	4,595,604	HK$2.05	20/12/2022 to 19/12/2032	N/A
	92,410,000	(21,530,769)	(57,744,397)	13,134,834	(5,382,088)	7,752,746			

The exercise prices and numbers of share options have been adjusted due to placement of shares under rights issue and the Share Consolidation during the financial year ended 31 March 2025.

34. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Share option scheme (Continued)

The weighted average remaining contractual life of options outstanding at the end of the year was 5.98 years (2025: 4.77 years). The weighted average exercise price of options outstanding at the end of the year was HK$4.05 (2025: HK$8.43 (after adjustments of the Share Consolidation and the rights issue)).

7,752,746 (2025: 13,134,834) share options were exercisable at the end of the year.

There was no exercise of share options during the years ended 31 March 2026 and 2025.

Share award plan

The Company adopted a share award plan ("the Share Award Plan") on 8 May 2019.

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 29 August 2023, the Company's Share Award Plan was amended and restated. The amended and restated rules relating to the Share Award Plan is governed by Chapter 17 of the Listing Rules and will remain in force for 10 years from 8 May 2019. There is no material change of the terms under the Share Award Plan.

No share awards were granted by the Company during both years.

35. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the "CONSOLIDATED STATEMENT OF CHANGES IN EQUITY" on page 60 of the annual report.

The nature and purposes of reserves are set out below:

(a) Share premium

The application of the share premium account is governed by Section 40 of the Bermuda Companies Act 1981 (as amended) (the "Companies Act 1981").

(b) Contributed surplus

The contributed surplus represents the excess of the fair value of the shares of the subsidiary acquired over the nominal value of the Company's shares issued in exchange thereof, at the time of the Group reorganisation in preparation for the listing of the Company's shares.

Under the Companies Act 1981, contributed surplus is available for distributions to its equity holders. However, the Company cannot declare or pay a dividend or make a distribution out of contributed surplus if:

- it is or would after the payment be unable to pay its liabilities as they fall due; or
- the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

(c) Share options reserve

Share options reserve comprises the fair value of the estimated number of unexercised share options granted to employees of the Group recognised in accordance with the accounting policy set out in Note 4(p).

(d) Foreign currency translation reserve

Foreign currency translation reserve represents foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in Note 4(n).

(e) Capital reserve

Capital reserve represents the excess of the net assets of the subsidiaries acquired by the Group from its shareholder over the consideration paid. The excess is accounted for as contributions from shareholder and credited to capital reserve.

(f) Convertible notes equity reserve

The balance represents the equity component of outstanding convertible notes issued by the Company recognised in accordance with the accounting policy set out in Note 4(h)(vi).

35. RESERVES (Continued)

(g) Movement of reserves of the Company

	Share premium HK$'000	Contributed surplus HK$'000	Convertible notes equity reserve HK$'000 (Note 33)	Share options reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2024	3,970,029	87,109	–	80,421	(3,157,125)	980,434
Loss for the year and total comprehensive income	–	–	–	–	(328,570)	(328,570)
Issue of shares (Note 33(ii))	5,979	–	–	–	–	5,979
Settlement of the old Convertible Notes by shares purchased from open market	–	–	–	–	(99)	(99)
Issue of the 2024 Convertible Notes (Note 32)	–	–	324	–	–	324
Lapsed share options	–	–	–	(7,753)	7,753	–
Forfeited share options	–	–	–	(21,286)	21,286	–
Capital Reorganisation (Note 33(i))	–	–	–	–	83,517	83,517
At 31 March 2025 and 1 April 2025	3,976,008	87,109	324	51,382	(3,373,238)	741,585
Loss for the year and total comprehensive income	–	–	–	–	(209,141)	(209,141)
Issue of 27,000,000 shares under placing (Note 33(iv))	6,503	–	–	–	–	6,503
Subscription of 60,000,000 shares (Note 33(v))	23,825	–	–	–	–	23,825
Conversion of Convertible Notes (Note 33(vi))	4,663	–	(324)	–	–	4,339
Issue of 20,000,000 shares under placing (Note 33(vii))	14,362	–	–	–	–	14,362
Forfeited share options	–	–	–	(1,047)	1,047	–
Lapsed share options	–	–	–	(34,753)	34,753	–
At 31 March 2026	**4,025,361**	**87,109**	**–**	**15,582**	**(3,546,579)**	**581,473**

36. NON-CONTROLLING INTERESTS

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests. The non-controlling interests of all other subsidiaries are considered to be immaterial.

Name of subsidiaries	Proportion of ownership interests held by non-controlling interests 2026	2025
Dynamic Union International Limited	**49%**	49%
Tong Guan La Plata Company Limited	**40%**	40%
Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd.	**30%**	30%

36. NON-CONTROLLING INTERESTS (Continued)

Summarised financial information in respect of the Company's subsidiaries that has material non-controlling interest is set out below. The summarised financial information below represents amounts before intra-group eliminations.

	2026 HK$'000	2025 HK$'000
Dynamic Union International Limited		
Current assets	**3**	1
Current liabilities	**(21,000)**	(20,998)
Equity attributable to owners of the Company	**(10,708)**	(10,708)
Non-controlling interests	**(10,289)**	(10,289)
Revenue	**–**	–
Loss for the year	**–**	(312)
Loss attributable to owners of the Company	**–**	(159)
Loss attributable to the non-controlling interests	**–**	(153)
Loss for the year	**–**	(312)
Other comprehensive income attributable to owners of the Company	**–**	–
Other comprehensive income attributable to the non-controlling interests	**–**	–
Other comprehensive income for the year	**–**	–
Total comprehensive income attributable to owners of the Company	**–**	(159)
Total comprehensive income attributable to the non-controlling interests	**–**	(153)
Total comprehensive income for the year	**–**	(312)
Net cash outflow from operating activities	**–**	(307)
Net cash outflow from investing activities	**–**	(117)
Net cash inflow from financing activities	**2**	423
Net cash inflow/(outflow)	**2**	(1)

36. NON-CONTROLLING INTERESTS (Continued)

	2026 HK$'000	2025 HK$'000
Tong Guan La Plata Company Limited		
Current assets	**72,547**	72,505
Non-current assets	**–**	–
Current liabilities	**(22,339)**	(22,344)
Equity attributable to owners of the Company	**44,285**	44,257
Non-controlling interests	**5,923**	5,904
Revenue and other income	**–**	16
Loss for the year	**(2)**	(300)
Loss attributable to owners of the Company	**(1)**	(180)
Loss attributable to the non-controlling interests	**(1)**	(120)
Loss for the year	**(2)**	(300)
Other comprehensive income attributable to owners of the Company	**29**	201
Other comprehensive income attributable to the non-controlling interests	**20**	134
Other comprehensive income for the year	**49**	335
Total comprehensive income attributable to owners of the Company	**28**	21
Total comprehensive income attributable to the non-controlling interests	**19**	14
Total comprehensive income for the year	**47**	35
Net cash (outflow)/inflow from operating activities	**(1)**	76
Net cash inflow from investing activities	**–**	–
Net cash inflow from financing activities	**3**	4
Net cash inflow	**2**	80

36. NON-CONTROLLING INTERESTS (Continued)

	2026 HK$'000	2025 HK$'000
Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd.		
Current assets	**12,298**	17,261
Non-current assets	**54,934**	53,895
Current liabilities	**(137,130)**	(133,557)
Non-current liabilities	**(4,111)**	(4,002)
Equity attributable to owners of the Company	**(51,806)**	(46,482)
Non-controlling interests	**(22,203)**	(19,921)
Revenue	**–**	–
Loss for the year	**(3,560)**	(5,358)
Loss attributable to owners of the Company	**(2,492)**	(3,751)
Loss attributable to the non-controlling interests	**(1,068)**	(1,607)
Loss for the year	**(3,560)**	(5,358)
Other comprehensive income attributable to owners of the Company	**(2,832)**	490
Other comprehensive income attributable to the non-controlling interests	**(1,214)**	210
Other comprehensive income for the year	**(4,046)**	700
Total comprehensive income attributable to owners of the Company	**(5,324)**	(3,261)
Total comprehensive income attributable to the non-controlling interests	**(2,282)**	(1,397)
Total comprehensive income for the year	**(7,606)**	(4,658)
Net cash (outflow)/inflow from operating activities	**(4,242)**	10,689
Net cash outflow from investing activities	**(13)**	(11,837)
Net cash outflow from financing activities	**(21)**	(4,893)
Net cash outflow	**(4,276)**	(6,041)

37. STATEMENT OF FINANCIAL POSITION OF COMPANY

	Notes	**2026** **HK$'000**	2025 HK$'000
Non-current assets			
Interests in subsidiaries	18	**600,135**	760,141
Total non-current assets		**600,135**	760,141
Current assets			
Other receivables and prepayments		**329**	328
Cash and bank balances		**58**	202
Total current assets		**387**	530
Total assets		**600,522**	760,671
Current liabilities			
Accruals		**2,784**	3,861
Amount due to a subsidiary		**417**	417
Total current liabilities		**3,201**	4,278
Net current liabilities		**(2,814)**	(3,748)
Total assets less current liabilities		**597,321**	756,393
Non-current liabilities			
Convertible notes		**–**	4,810
Total liabilities		**3,201**	9,088
NET ASSETS		**597,321**	751,583
Equity			
Share capital	33	**15,848**	9,998
Reserves	35(g)	**581,473**	741,585
TOTAL EQUITY		**597,321**	751,583

On behalf of the Board

Chan Hoi Ying	**Zeng Yan**
Director	*Director*

38. COMMITMENTS

At the end of the reporting period, the Group had the following commitments contracted but not provided for in these consolidated financial statements:

	2026 HK$'000	2025 HK$'000
Acquisition of property, plant and equipment	19,043	17,979
Capital expenditure in respect of the construction of the ores processing plant	3,675	3,677
Capital expenditure in respect of the mining operations	18,177	17,162
Capital expenditure in respect of the development of electric vehicles	20	19
Capital expenditure in respect of an intangible asset	3,406	–
	44,321	38,837

39. RELATED PARTY TRANSACTIONS

Members of key management personnel during the year comprised only of the Company's directors whose remuneration is set out in Note 9.

Save for disclosed above and elsewhere in these consolidated financial statements, the Group did not have material transactions with its related parties during both years.

40. CAPITAL MANAGEMENT

The Group's objective of managing capital is to safeguard its ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debts (which include loans from shareholders, other borrowings, convertible notes – liability component and lease liabilities) and equity attributable to owners of the Company, comprising share capital and reserves.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares as well as raising new debts and redemption of existing debt.

The gearing ratio at the end of reporting period was as follows:

	2026 HK$'000	2025 HK$'000
Loans from shareholders	11,106	11,577
Other borrowings	13,423	–
Convertible notes – liability component	–	4,810
Lease liabilities	13,122	2,281
	37,651	18,668
Equity attributable to owners of the Company	683,346	872,618
Gearing ratio	5.51%	2.14%

41. FINANCIAL RISK MANAGEMENT

Exposure to credit, liquidity, interest rate and foreign currency risks arise in the normal course of the Group's business. These risks are limited by the Group's financial risk management policies and practices described below.

Credit risk

The Group's credit risk is primarily attributed to its contract assets, trade and other receivables and cash and bank balances. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis and follow-up action is taken to recover overdue debts.

At the end of the reporting period, the Group had certain concentration of credit risk that 60% (2025: 97%) and 95% (2025: 100%) of the trade receivables and contract assets were due from the Group's largest debtor and the five largest debtors respectively.

For trade receivables and contract assets, the Group applies provision matrix to measure the ECLs prescribed by HKFRS 9 on lifetime ECL basis at the end of the reporting period. As at 31 March 2026 and 2025, the expected loss rates applied in the provision matrix are determined with reference to the debtors' characteristics, including historical actual loss experience on the trade receivables and contract assets and information specific to the debtors as well as pertaining to the economic environment in which the debtors operate.

Trade receivables

	At 31 March 2026			
	ECL rate – weighted average	Gross carrying amount HK$'000	Loss allowance HK$'000	Net carrying amount HK$'000
Collective assessment:				
Less than one month past due	0%	1,437	–	1,437
More than one month but less than three months past due	0%	2,276	–	2,276
More than six months but less than one year past due	1%	530	(3)	527
More than two years past due	99%	21,861	(21,860)	1
		26,104	(21,863)	4,241
Individual assessment:				
More than six months but less than one year past due	100%	6,866	(6,866)	–
More than one year but less than two years past due	100%	2,889	(2,889)	–
More than two years past due	100%	3,194	(3,194)	–
		12,949	(12,949)	–
		39,053	(34,812)	4,241

41. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Trade receivables (Continued)

	At 31 March 2025			
	ECL rate – weighted average	Gross carrying amount HK$'000	Loss allowance HK$'000	Net carrying amount HK$'000
Collective assessment:				
More than one year but less than two years past due	92%	2,317	(2,138)	179
More than three years past due	100%	19,253	(19,253)	–
		21,570	(21,391)	179
Individual assessment:				
Not yet past due	56%	6,866	(3,880)	2,986
Less than one month past due	56%	246	(138)	108
One to three months past due	56%	490	(276)	214
More than three months but less than six months past due	56%	727	(410)	317
More than six months but less than one year past due	57%	1,426	(806)	620
More than one year but less than two years past due	57%	2,749	(1,553)	1,196
More than two years past due	57%	445	(251)	194
		12,949	(7,314)	5,635
		34,519	(28,705)	5,814

41. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Contract assets

	At 31 March 2026			
	ECL rate – weighted average	**Gross carrying amount HK$'000**	**Loss allowance HK$'000**	**Net carrying amount HK$'000**
Not yet past due	**4%**	**218**	**(9)**	**209**

	At 31 March 2025			
	ECL rate – weighted average	Gross carrying amount HK$'000	Loss allowance HK$'000	Net carrying amount HK$'000
Not yet past due	4%	205	(8)	197

Other receivables and deposits

For other receivables and deposits as at 31 March 2026 and 2025, the Group measures loss allowances using the general approach under HKFRS 9. Impairment of these receivables and deposits was provided based on the "three-stage" model by referring to the changes in credit quality since initial recognition.

These receivables and deposits that are not credit-impaired since initial recognition are classified in "Stage 1" and have their credit risk continuously monitored by the Group. The ECL is measured on a 12-month basis.

– If a significant increase in credit risk (as defined in accounting policy Note 4(h)(ii)) since initial recognition is identified but not yet credit-impaired, the financial asset is moved to "Stage 2". The ECLs are measured on lifetime basis.

– If the financial asset is credit-impaired (as defined in accounting policy Note 4(h)(ii)), the financial asset is then moved to "Stage 3". The ECLs are measured on lifetime basis.

– At Stages 1 and 2, interest income is calculated on the gross carrying amount (without deducting the loss allowance). If a financial asset subsequently becomes credit-impaired (Stage 3), the Group is required to calculate the interest income by applying the effective interest method in subsequent reporting periods to the amortised cost of the financial asset (the gross carrying amount net of loss allowance) rather than the gross carrying amount.

41. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Other receivables and deposits (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for other receivables and deposits at the end of the reporting period:

	At 31 March 2026				
	ECL rate	12-month ECLs Stage 1	Lifetime ECLs Stage 3	Gross carrying amount	Loss allowance
	(%)	HK$'000	HK$'000	HK$'000	HK$'000
Not yet past due	6%	9,754	–	9,754	–*
Over 1 year past due	100%	–	6,093	6,093	6,093
		9,754	6,093	15,847	6,093

	At 31 March 2025				
	ECL rate	12-month ECLs Stage 1	Lifetime ECLs Stage 3	Gross carrying amount	Loss allowance
	(%)	HK$'000	HK$'000	HK$'000	HK$'000
Not yet past due	6%	7,886	–	7,886	–*
Over 1 year past due	100%	–	6,097	6,097	6,097
		7,886	6,097	13,983	6,097

* The Group has assessed and concluded that the expected loss rate and 12-month ECLs of these financial assets are insignificant based on the Group's assessment of historical default experience and forward-looking information available at the end of each reporting period.

The Group's bank balances are deposits with banks in Hong Kong and the PRC. The credit risk on these liquid funds is limited because the counterparties are banks with high credit-rating assigned by international credit rating agencies.

41. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Other receivables and deposits (Continued)

Movement in loss allowance account in respect of trade receivables during the year is as follows:

	Impairment loss allowance HK$'000
At 1 April 2024	25,927
Impairment loss recognised	7,633
Impairment loss reversed	(49)
Disposal of subsidiaries	(4,706)
Exchange realignment	(100)
At 31 March 2025 and 1 April 2025	28,705
Impairment loss recognised	5,815
Impairment loss reversed	(187)
Exchange realignment	479
At 31 March 2026	**34,812**

Movement in loss allowance account in respect of contract assets during the year is as follows:

	Impairment loss allowance HK$'000
At 1 April 2024	530
Impairment loss reversed	(516)
Dissolution of a subsidiary	(4)
Exchange realignment	(2)
At 31 March 2025 and 1 April 2025	8
Exchange realignment	1
At 31 March 2026	**9**

41. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Other receivables and deposits (Continued)

Movement in loss allowance account in respect of other receivables and deposits during the year is as follows:

	Impairment loss allowance HK$'000
At 1 April 2024	–
Reclassified from amount due from an associate	6,097
At 31 March 2025 and 1 April 2025	6,097
Reversal of impairment	(4)
At 31 March 2026	**6,093**

41. FINANCIAL RISK MANAGEMENT (Continued)

Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay:

	Carrying amount HK$'000	Total HK$'000	Within 1 year or on demand HK$'000	More than 1 year but less than 5 years HK$'000	More than 5 years HK$'000
2026					
Accounts payable	**8,186**	**8,186**	**8,186**	**–**	**–**
Other payables and accruals*	**59,729**	**59,729**	**59,729**	**–**	**–**
Loans from shareholders	**11,106**	**11,106**	**11,106**	**–**	**–**
Lease liabilities	**13,122**	**16,225**	**4,531**	**6,828**	**4,866**
Other borrowings	**13,423**	**14,216**	**5,876**	**8,340**	**–**
	105,566	**109,462**	**89,428**	**15,168**	**4,866**
2025					
Accounts payable	5,672	5,672	5,672	–	–
Other payables and accruals*	50,532	50,532	50,532	–	–
Loans from shareholders	11,577	11,577	11,577	–	–
Lease liabilities	2,281	2,297	2,297	–	–
Convertible notes – liability component	4,810	5,340	200	5,140	–
	74,872	75,418	70,278	5,140	–

* excluded accrued staff costs

41. FINANCIAL RISK MANAGEMENT (Continued)

Interest rate risk

The Group is not exposed to significant interest rate risk as the Group's interest-bearing borrowing is not significant as at 31 March 2026. Interest rate risk arising from cash and bank balances is not significant.

Foreign currency risk

The Group is exposed to currency risk primarily through transactions that are denominated in currencies other than the functional currency of the operations to which they relate. The currencies giving rise to this risk is primarily United States dollars ("USD") and Renminbi ("RMB").

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

	Liabilities		Assets	
	2026	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000
RMB	**58,865**	34,994	**5,757**	363
USD	**–**	–	**6,378**	6,760

The Group regards the exposure to USD is minimal as the exchange rate between USD and HK$ is pegged.

If the exchange rate of RMB against HK$ had appreciated/depreciated by 5%, loss for the year would increase/decrease by HK$2,655,000 (2025: HK$1,732,000) respectively.

Apart from the RMB, the management of the Group considers the currency risk of the Group is insignificant for the years ended 31 March 2026 and 2025, hence no sensitivity analysis is presented.

42. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The carrying amounts of the Group's financial assets and financial liabilities as recognised at 31 March 2026 and 2025 are categorised as follows:

	2026 **HK$'000**	2025 HK$'000
Financial assets		
Financial assets at amortised cost (including cash and bank balances)	**16,120**	22,104
Financial liabilities		
Financial liabilities at amortised cost	**92,444**	72,591
Lease liabilities	**13,122**	2,281
	105,566	74,872

(a) Financial instruments not measured at fair value

Financial instruments not measured at fair value include trade receivables, other receivables and deposits, cash and bank balances, accounts payable, other payables and accruals, loans from shareholders, other borrowings, convertible notes – liability portion and lease liabilities.

The directors of the Company considered that due to the short term nature or bearing interest at prevailing market rates, the carrying amounts of these financial assets and financial liabilities in the consolidated financial statements approximate to their corresponding fair value.

(b) Financial instruments measured at fair value

Financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	As at 31 March 2026				As at 31 March 2025			
	Level 1 **HK$'000**	**Level 2** **HK$'000**	**Level 3** **HK$'000**	**Total** **HK$'000**	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
Financial assets at fair value – unlisted equity investments	**–**	**–**	**–**	**–**	–	–	–	–

There were no transfers between levels during the year.

42. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

Information about level 3 fair value measurements

At 31 March 2025, the Directors considered the fair value of the unlisted equity investments to be minimal following the insolvency event as detailed in Note 21. During the year ended 31 March 2026, the Group has formally derecognised the investment upon official liquidation.

A reconciliation for financial instruments carried at fair value based on significant unobservable inputs during the year ended 31 March 2025 is as follows:

	HK$'000
Unlisted equity investments	
At 1 April 2024	27,008
Fair value change	(10,295)
Disposal	(16,581)
Exchange realignment	(132)
At 31 March 2025	–

43. NOTE SUPPORTING CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of liabilities arising from financing activities:

	Loans from shareholders HK$'000	Other borrowings HK$'000	Lease liabilities HK$'000	Convertible notes – liability component HK$'000	Total HK$'000
At 1 April 2025	11,577	–	2,281	4,810	18,668
Changes from financing cash flows:					
Repayments of other borrowings	–	(2,173)	–	–	(2,173)
Repayment of loans from shareholders	(495)	–	–	–	(495)
Repayment of principal portion of lease liabilities	–	–	(3,293)	–	(3,293)
Interest paid on other borrowings	–	(239)	–	–	(239)
Interest paid on lease liabilities	–	–	(334)	–	(334)
Interest paid on convertible note	–	–	–	(140)	(140)
Total changes from financing cash flow	(495)	(2,412)	(3,627)	(140)	(6,674)
Exchange realignment	24	432	408	–	864
Other changes:					
Interest on other borrowings	–	239	–	–	239
Interest on lease liabilities	–	–	334	–	334
Interest on convertible notes	–	–	–	169	169
Conversion of ordinary share of the Company	–	–	–	(4,839)	(4,839)
Additions to property, plant and equipment financed by financiers	–	15,164	–	–	15,164
New lease	–	–	13,726	–	13,726
	–	15,403	14,060	(4,670)	24,793
At 31 March 2026	**11,106**	**13,423**	**13,122**	**–**	**37,651**

43. NOTE SUPPORTING CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Reconciliation of liabilities arising from financing activities: (Continued)

	Loans from shareholders HK$'000	Bank and other borrowings HK$'000	Lease liabilities HK$'000	Convertible notes – liability component HK$'000	Total HK$'000
At 1 April 2024	12,277	9,892	6,861	–	29,030
Changes from financing cash flows:					
Proceeds from loans from shareholders	135	–	–	–	135
Proceeds from issue of convertible notes	–	–	–	4,676	4,676
Repayments of bank borrowing	–	(4,741)	–	–	(4,741)
Repayment of loans from shareholders	(831)	–	–	–	(831)
Repayment of principal portion of lease liabilities	–	–	(2,022)	–	(2,022)
Interest paid on bank and other borrowings	–	(152)	–	–	(152)
Interest paid on lease liabilities	–	–	(111)	–	(111)
Total changes from financing cash flow	(696)	(4,893)	(2,133)	4,676	(3,046)
Exchange realignment	(4)	(170)	–	–	(174)
Other changes:					
Interest on bank and other borrowings	–	152	–	–	152
Interest on lease liabilities	–	–	111	–	111
Interest on convertible notes	–	–	–	134	134
Lease termination	–	–	(2,558)	–	(2,558)
Settlement by financial assets at FVTPL	–	(4,981)	–	–	(4,981)
	–	(4,829)	(2,447)	134	(7,142)
At 31 March 2025	11,577	–	2,281	4,810	18,668

(b) Significant non-cash transactions

During the year ended 31 March 2025, financial assets at FVTPL with carrying amount of HK$16,581,000 was transferred to the lender as settlement of the other borrowing with carrying amount of HK$4,981,000.

During the year ended 31 March 2026, convertible notes with an aggregate principal amount of HK$5,000,000 were fully converted into 10,000,000 ordinary shares of the Company. The conversion amounted to approximately HK$4,839,000, representing the carrying amount of the liability component of the convertible notes together with the related equity reserve, was transferred to share capital and share premium upon conversion.

During the year ended 31 March 2026, the Group recognised revenue of USD2,100,000 (equivalent to approximately HK$16,422,000) arising from the forfeiture of a customer deposit previously received in relation to the purchase of electric vehicles. The deposit was previously recognised as a contract liability. Accordingly, the related contract liability of approximately HK$16,422,000 was decognised and recognised as revenue during the year. For details, please refer to Notes 7 and 27.

During the year ended 31 March 2026, the Group entered into financing arrangements with independent third parties in respect of certain electric vehicles under property, plant and equipment. The portion of the purchase consideration financed directly by the financiers, amounting to HK$15,164,000, was recognised as additions to property, plant and equipment with a corresponding recognition of other borrowings of HK$15,164,000.

44. DISPOSAL OF SUBSIDIARIES

During the year, the Group entered into a contract to sell the entire equity interest in Tsing Cloud Smart Transportation (Hong Kong) Limited and EvD New Energy Company Limited (collectively, the "Disposal Subsidiaries"), to an independent third party at a cash consideration of HK$nil. The net assets of Disposal Subsidiaries at the date of the disposal were as follows:

	Notes	HK$'000
Other receivables and prepayments		1,532
Cash and bank balances		9
Contract liabilities		(110)
Net assets disposed of		1,431
Non-controlling interests		44
Cumulative exchange difference in respect of net assets of the subsidiaries reclassified from equity to profit or loss		60
Loss on disposal of subsidiaries included in loss for the year in the consolidated statement of profit or loss and other comprehensive income	11	(1,415)
Total consideration		–
Satisfied by:		
Cash consideration		–
Net cash outflow from the disposal:		
Cash and bank balances disposed of		(9)
Cash consideration received		–
Total		(9)

44. DISPOSAL OF SUBSIDIARIES (Continued)

During the year ended 31 March 2025, the Group entered into a contract to sell the entire equity interest in Sinocop New Energy Technology Company Limited ("Sinocop"), a wholly-owned subsidiary of the Group, to an independent third party at a cash consideration of HK$100. The net liabilities of Sinocop and its subsidiaries at the date of the disposal were as follows:

	Notes	HK$'000
Property, plant and equipment	15	115
Other receivables and prepayments		5
Cash and bank balances		11
Accounts payable		(372)
Other payables and accruals		(5,664)
Net liabilities disposed of		(5,905)
Non-controlling interests		7,075
Cumulative exchange difference in respect of net liabilities of the subsidiary reclassified from equity to profit or loss		1,504
Loss on disposal of subsidiaries included in loss for the year in the consolidated statement of profit or loss and other comprehensive income	11	(2,674)
Total consideration		–
Satisfied by:		
Cash consideration		–
Net cash outflow from the disposal:		
Cash and bank balances disposed of		(11)
Cash consideration received		–
Total		(11)

45. OPERATING LEASE COMMITMENTS

The Group as lessor:

Certain of the Group's electric vehicles were leased to a number of customers. As at 31 March 2026, the minimum rent receivables of the Group under non-cancellable operating leases in respect of electric vehicles are as follows:

	2026	2025
	HK$'000	HK$'000
Not later than one year	**8,954**	–
Later than one year and not later than two years	**8,842**	–
Later than two years and not later than three years	**8,842**	–
Later than three years and not later than four years	**8,842**	–
Later than four years and not later than five years	**6,093**	–
At the end of the year	**41,573**	–

46. LITIGATIONS

(a) On 9 December 2022, a contractor (the "Guangxi Contractor") has commenced an arbitration against Guangxi Weiri (the "Arbitration") and applied to the People's Court of Qingxin District Nanning Municipality ("the Court") for claiming the outstanding contract sum and respective interest in the aggregate amount of approximately RMB2.5 million in relation to a construction and exploration contract entered into between Guangxi Weiri and Guangxi Contractor in December 2014. On 13 April 2023, the first hearing was held by the Court in relation to the Arbitration. On 25 May 2023, Guangxi Contractor applied to the Court for judicial preservation to freeze the assets of Guangxi Weiri up to RMB2.5 million. Accordingly, the mining rights of the Group were frozen for a period of three years from 26 May 2023 in accordance with the notice from the Court dated 12 June 2023, which was received by the management of the Company on 5 July 2023. On 30 June 2023, the Court issued a civil judgment letter and ordered Guangxi Weiri to pay the outstanding contract sum and respective interest, totalling approximately RMB1,583,000, which has been provided and included in "other payables and accruals" as at 31 March 2026.

Subsequent to the reporting period, in June 2026, the Group has fully settled the outstanding payables in relation to the litigation. Management is of the view that the preservation order will be lifted upon completion of the full settlement.

(b) On 21 August 2024, the purchaser of the Target Group filed an application for arbitration to the Chongqing Arbitration Commission against the Group for claiming the return of the consideration of RMB34 million plus penalty of RMB6.8 million and compensation of approximately RMB40 million. On 3 September 2024, the Group has received an enforcement notice from the Third Intermediate People's Court of Chongqing that the equity interests in Chongqing Suitong New Energy Automotive Manufacturing Co. Ltd, Shenzhen New Energy Technology Company Limited and Dongguan Sinocop Electric Vehicles Company Limited held by the Group were frozen for three years. Subsequent to the end of the reporting period, pursuant to the court judgement dated 16 May 2025, the court ordered the Group to refund the consideration received of RMB34 million to the purchaser; and the Group and the purchaser shall pay to each other liquidation damages of RMB5.5 million and RMB760,000 respectively within 15 days. The Group has applied for a revocation of the ruling and the result is pending up to the date of this report. The consideration received of RMB34 million and the provision of the liquidation damages of RMB4.8 million were included in "other payables and accruals" as at 31 March 2026.

47. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting period, the Company conducted two separate subscriptions of new shares of the Company to an independent third party under the general mandate granted to the directors on 29 September 2025: (i) to issue 3,830,000 new shares at the subscription price of HK$0.512 per subscription share on 24 April 2026; and (ii) to issue 3,840,000 new shares at the subscription price of HK$0.52 per subscription share on 14 May 2026. The aggregated net proceeds from the above subscriptions were approximately HK$3.92 million after deducting the related expenses incurred.

48. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 30 June 2026.